

EDC JOURNAL

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Fall 1992

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Asian Markets:
A hedge against
recessionary
times

**Global Export
Strategies**

**High-Tech
Credit
Analysis**

**U.S.
Credit Risk
Uncertain**



1992 Special Report
AWARD WINNERS
CANADA EXPORT

Government
Publications

KYOBASHI
PRAT MANSI

Export Business Financed – Fall '92

Exporter	Buyer	Product	Amount
Bell Helicopter TEXTRON, Mirabel	Ceskoslovenska Obchodni Banka, A.S. Czechoslovakia	206 L III Helicopter	US\$960,000
Canadian Bank Note, Ottawa	National Bank of Ukraine	Printing of bank notes	US\$27.8M
Ceeco Machinery Manufacturing Limited, Concord	Nacional de Conductores Electricos, S.A. de C.V., Mexico	Flexible electrical cable armouring line	US\$321,450
Chemetics International Company Limited, Vancouver	Phoenix Pulp and Paper, Thailand	Engineering services, equipment and materials	US\$5,720M
General Electric Canada Inc. Peterborough	Cementos Mexicanos, S.A., Mexico	DC electric motors and related services	US\$1,0M
Georef Systems Ltd., Waterloo	Infort Systems Technology, Hungary	Computer equipment	US\$360,000
GN Navtel Inc., Markham	Petroleos Mexicanos, Mexico	Data analyzers and TIMS (test equipment)	US\$99,495
Mitel Corporation, Kanata	Mitel Finance Corporation, USA	GX5000 Global Switch	US\$5M
Natco Canada, Division of Cummings Point Ltd., Calgary	Lagoven S.A., Venezuela	Gas dehydration equipment	US\$1,060,466
National Oilwell Canada Ltd., Calgary	Oil and Natural Gas Commission, India	"Sour Xmas trees" (assemblies that control the flow of oil from the well)	US\$141,500
Professional Machine and Tool Co. Limited, Scarborough	Panel Rey, S.A. de C.V., Mexico	Rollforming for metal drywall studs	Cdn\$324,700
Rebound Rig International Ltd., Calgary	Indumes, S.A. de C.V., Mexico	Coiled tubing unit and accessory equipment	US\$816,991
Reinforced Plastic Systems Inc., Mahone Bay	Maraven S.A., Venezuela	Reinforced plastic pipes and fittings	US\$1,344,050
Saskatchewan Telecommunications International Inc. (SaskTel)	Republic of the Philippines	Telecommunications equipment and services	Cdn\$11,45M
Sidus Systems Inc., Thornhill	National Bank of Ukraine	Computer equipment	US\$6M
Sierra Drill Manufacturing, Calgary	Maraven S.A., Venezuela	Drilling rigs	US\$5,596,533
Spar Aerospace Limited, Ste-Anne-de-Bellevue	Ministry of Posts & Telecommunications, China	Satellite earth stations	US\$28M
VME Equipment of Canada Ltd., Guelph	Triturados y Agregados de Veracruz, S.A., Mexico	Michigan loader	US\$178,412
Westinghouse Canada Inc., Hamilton	Lagoven S.A., Venezuela	Turbine components	US\$9,327,826

Source: EDC News Releases

A New Look for EDC

In the world of international finance, nothing remains constant. As the world changes, so must organizations like EDC if we are to continue to provide high-quality financial services to our customers.

Throughout EDC, change has been happening at a rapid pace. We're tracking our turnaround times and revising processes to maximize efficiency. We're analyzing our products, and modifying, eliminating or creating new ones; and we're introducing new technology to improve the quality and efficiency of our service. In doing so, we're becoming more sensitive to customer needs.

To reflect this new focus, we've just introduced a new corporate signature. Simple, flexible, adaptable, it consists of our logo and our acronyms EDC and SEE. Like many other organizations we're moving towards the use of our acronyms, which are becoming increasingly well-known both at home and abroad.

Simplification is the operative word. In keeping with our new corporate signature, we're striving for simple, flexible, adaptable products and services that can be of maximum assistance to Canadian exporters.



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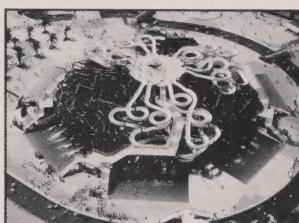
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5



11



18

Contents

5 Export Success for Canadian Companies

Canadians are landing contracts around the world. A look at nine leaders.

6 Customer-Friendly Insurance

New easy-to-use credit and risk management services will benefit EDC customers.

9 A Decade of Risk

NAFTA was signed on August 12, the eve of the 10th anniversary of the debt crises. The wheel has come full circle in 1992 — but has it stopped turning?

10 High-Tech Credit Analysis

Introducing high-tech, high-quality, state-of-the-art credit analysis — a boon to short-term insurance customers.

11 Global Export Strategies: Canada's 1992 Export Award Winners

Advice on cracking tough international markets, from those who know how.

18 Asian Markets: A Hedge Against Recessionary Times

A country-by-country breakdown of tips on doing business in Asia-Pacific.

Readership Survey: The results are in

370 respondents gave us the answers to the questions we were asking, and we're pleased to know that *EDC TODAY* is well received and making a difference. You'll be seeing changes in this issue, and in upcoming ones, as we continually strive to provide you with the information you need — export opportunities, foreign markets, market analysis — practical data to help you make those difficult export decisions. Your input was, and is, always welcome.

NAWAL KAMEL NAMED CHIEF ECONOMIST



"International" is the word that best describes EDC's new Chief Economist, Nawal Kamel.

Born in Egypt, of Italian, Syrian and Egyptian descent; educated in Canada (McGill) and Université du Québec à Montréal), France (La Sorbonne), and England (Oxford); Kamel brings vast international experience as a mathematician and an economist.

While completing her doctoral thesis at Oxford on *External Indebtedness of Less Developed Countries*, Kamel joined the World Bank in Washington as the External Trade and Debt Specialist for the Maghreb Region (Algeria, Morocco and Tunisia). Travelling extensively, she worked closely with international organizations, and was

instrumental in designing a joint project with the Canadian International Development Agency (CIDA).

"Although it was exciting working for international causes, assessing problems and proposing solutions," says Kamel, "I missed working for my own country – having Canadians benefit directly from my efforts." When approached by the Canadian Department of Finance, three years later, she accepted the move.

As Special Advisor to the Assistant Deputy Minister, Economic Development Policy Branch, Kamel coordinated the activities of the department and liaised with other government entities on key issues related to the Prosperity Initiative.

The offer from EDC a year later brought her back into the international arena she knows so well. "From outside, I've always seen, and stressed, the importance of exports to the Canadian economy. I'm pleased now to be able to work actively to assist Canadian exporters in the pursuit of their goals."

EDC Welcomes New Board Members

Lloyd Callahan joined the Board of Directors effective August 5, 1992. An entrepreneur, he brings extensive knowledge of the development and construction industries.

Raised in High River, Alberta, Callahan started his career in oil and gas exploration and was involved in seismic and drilling operations throughout northern Alberta, British Columbia and the Northwest Territories.

In the mid-50s, recognizing a need, he established an oil field trucking and expediting company based in Fort Nelson, B.C. contracting to oil exploration companies on the Alaska highway, in Northeastern B.C., the Yukon and the Northwest Territories.

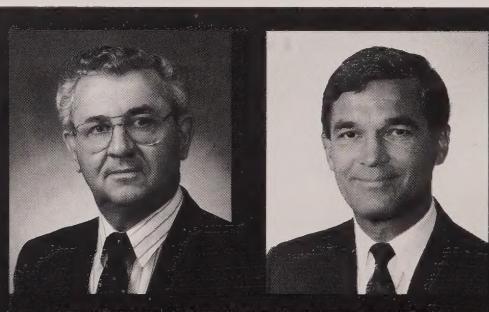
In the mid-60s, Callahan moved to Kelowna B.C. to pursue opportunities in the construction industry. Since then, his company, Callahan Construction, in conjunction with Argus Industries, has been developing apartment, commercial and industrial complexes, plus shopping centres.

Callahan is on the Board of Directors of Montreal Trust, Chairman of the Montreal Trust B.C. Advisory Board, and President of Callahan Construction Company Ltd.

An avid sportsman, Callahan is a member of the Chamber of Commerce, the Fraser Institute and the Urban Development Institute.

Nairn (Buz) Knott became a member of the Board July 15, 1992. With a background in business and banking, he brings years of direct experience in export trade.

Knott has been Manager, Banking and Finance at H.A. Simons Ltd. (Vancouver)



Lloyd Callahan (left) and Nairn (Buz) Knott have joined EDC's Board of Directors.

Don't Risk Missing...

EDC's Fall
"Let's Talk Risk" workshops

Toronto – November 5
Vancouver – November 16
Edmonton – November 18
Winnipeg – November 20
Montreal – November 24

1992 workshops include...

Global economic forecasts

Risk analysis of key export markets

Country Risk workbook
profiling 50 markets

For details call the EDC office nearest you

since 1983, where he works closely with international financial institutions, foreign governments and other exporters. He has been involved in generating competitive project proposals in Asia, Europe and Africa.

Prior to that, as Second Vice-President, Continental Bank (Chicago), Knott managed the world-wide banking relations of select U.S.-based multinational corporations. Before moving to Chicago, he helped organize the operations, structure and business development for Continental's newly established subsidiary in Toronto.

An M.B.A. graduate, Knott has also worked as an Account Executive, Norco Financial Services Ltd., Toronto; and Assistant Manager, Toronto Dominion Bank, Vancouver.

Interested in sports, music, art and history, Knott is active in numerous organizations including the Financial Institutions Commission, Jack Webster Foundation, "Voyageurs 92" Programme, and Science World British Columbia. He was a member of the selection committee for the 1992 Canada Export Awards.

EXPORT SUCCESS FOR CANADIAN COMPANIES

IS THIS THE PARTY TO WHOM I AM SPEAKING?

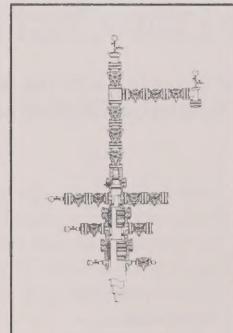
Years ago films and television programs often featured a bumbling telephone operator who routinely misdirected phone calls, or nosily listened in on conversations. But these days the telecommunications industry is more likely to evoke images of high-tech wizardry and sophisticated equipment. EDC has established a US\$5 million line of credit in the U.S. to ensure **Mitel Corporation** of Kanata, Ontario, a leading Canadian player in the telecommunications industry, can continue to export its state-of-the-art products to this important market. The line of credit, established with Mitel Finance Corporation, will facilitate the sales of Mitel Corporation's GX5000 Global Switch.

DECK THE WELLS

Most of us don't usually associate Christmas trees with the oil and gas industry. However, if you're **National-Oilwell Canada Ltd.** of Calgary, Christmas trees for oil wells are an important part of the business. The company recently concluded a sale of oil equipment to India's Oil and Natural Gas Commission (ONGC), including three sets of single sour Christmas trees. Named for their shape, the trees are assemblies of valves mounted on the wellhead to control the flow of oil. EDC supported the sale with financing of up to US\$141,500 and the Canadian International Development Agency (CIDA) provided a grant of US\$86,700.

HOT, HOT, HOT

As thousands of winter-weary Canadians know, Mexico is one of the hottest vacation spots each spring. But these days Canadian exporters are finding it one of the hottest export markets as well, as Mexico welcomes increasing numbers of Canadian goods and services. EDC's various lines of credit are proving popular financing tools in Mexico. A Concord, Ontario company, **Ceeeo Machinery Manufacturing Limited**, sold flexible electrical cable armouring line for the heavy construction industry with EDC



financing of US\$321,450. Another Ontario company, **GN Navtel** of Markham, concluded a sale of test equipment to Pemex, Mexico's state-owned oil company, for use in Pemex's data communications network. EDC provided financing of US\$99,495.

Professional Machine & Tool

of Scarborough is supplying rollforming for metal drywall studs for the Mexican construction industry. And **General Electric Canada Inc.** recently sold DC electric motors and related services with EDC financing of US\$1,033 million.

LINKING THE WORLD

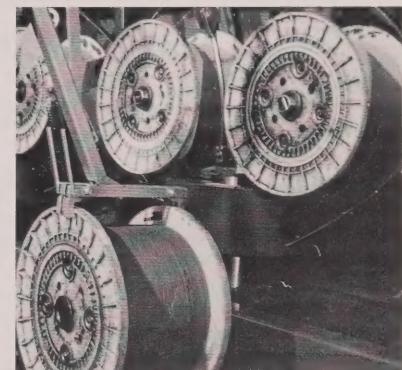
For the hundreds of islands that make up the Philippines, the phone is a vital link with other islanders and the rest of the world. **Saskatchewan Telecommunications**

International (SaskTel) is putting those links in place with support from EDC and the Canadian International Development Agency (CIDA). Under the contract with the Department of Transportation and Communications, SaskTel International will provide engineering services, equipment, documentation, training, testing and technical support to install public calling facilities able to transmit both voice and data.

EDC provided financing of up to Cdn\$11.45 million, and CIDA will provide up to Cdn\$6.2 million.

GO EAST, YOUNG MAN

As the former planned economies of Eastern Europe make the transition to market economies, they are increasingly looking to the West for exports of goods and services. Some Canadian companies are capitalizing on the opportunities using EDC lines of credit. In Czechoslovakia, **Bell Helicopter TEXTRON** of Mirabel, Quebec, a division of Textron Canada, recently won a contract



From top: Ceeco's electrical cable, bound for Mexico; Bell Helicopter TEXTRON's 206 L111, en route to Czechoslovakia; Mitel's GX5000 Global Switch, destined for U.S. markets; and (far left) National-Oilwell's Christmas tree, controlling the flow of oil in India.

to supply a helicopter to a Czechoslovakian buyer. EDC provided financing of US\$960,000. In Hungary, **Georef Systems Ltd.** of Waterloo, Ontario recently completed a sale of computer hardware and software to Infort Systems Technology, a Hungarian company that will provide the city of Érd with a municipal information system and implement a local area network for the city council. EDC provided financing of US\$360,000.

*Brenda Quinn
Communications Officer*

EDC INTRODUCES CUSTOMER-FRIENDLY INSURANCE POLICY

Easy-to-use credit management and risk management services will benefit our customers.

In response to comments from our customers, EDC has just revised its export credit insurance policy for exporters with annual sales of less than \$5 million. The improved policy has been well received by test groups of customers.

A fundamental difference with the revised policy is that it is written in everyday language, addressing the concern that the old policy was difficult to understand. Exporters will also find the application process much simpler and faster.

One chief benefit of the policy is that it gives exporters more ways to approve their buyers' credit on their own, without having to refer to EDC. Many of these credit tools are already used by exporters in their daily business practices.

Another attractive feature is the expanded credit sourcing service, which now includes international

credit information. This is another enhancement that was made at the suggestion of many of our customers.

Although the policy's features have been enhanced, all the important characteristics of the former policy have been carried over. For example, the policy offers the same comprehensive coverage offered in all EDC policies – up to 90 percent of an export contract – for a range of commercial and political risks.

If you are a current policyholder, you will be offered the new policy when your current policy expires.

For more information on how EDC's new Export Credit Insurance Policy can help you, please contact the regional office nearest you.

TAKING ADVANTAGE OF LOW-COST FUNDING

EDC continuously seeks innovative methods of financing with the objective of passing the benefit onto Canadian exporters in the form of competitive pricing on loans.

Delaying the Setting of a Rate

On July 6, 1992, EDC launched a Euro-dollar US\$300 million bond in London. The issue, which was led by Credit Suisse First Boston, has a seven-year maturity and a coupon of 6 3/4 percent, payable annually. At the time, market conditions were favourable and spreads over the benchmark U.S. treasury bonds were historically tight. Thus, EDC launched the bond and, believing that interest rates would continue to decline, simultaneously entered into a hedging transaction similar to a Deferred Rate Set (DRS). By using a DRS, the bond's cost to EDC is not set when the bond is issued, but is instead delayed until the DRS is unwound. Should interest rates decline, the hedge will give the Corporation the flexibility of locking in a lower cost of funds.

Money Market Claims Program

In 1988 EDC developed a program that enabled it to obtain low-cost funds by tapping the retail investor in Switzerland. The Corporation issues short-term borrowing obligations known as Registered Claims. Although Registered Claims are denominated in

various currencies (Swiss francs, Deutsche marks, European currency units, U.S. and Canadian dollars), the program consists mainly of Swiss franc claims. At its peak, in April of 1991, EDC had Registered Claims outstanding in excess of one billion Swiss francs.

Over the last year there has been a significant decline in the Swiss franc denominated claims due primarily to a general movement of capital out of short-term money market instruments into higher yielding long-term securities. In addition, competition from other borrowers of EDC's credit quality has increased over the years. In order to remain competitive, a change was made in March 1992 to the pricing structure associated with the program. As a result of this change, the Swiss franc program has levelled off at the SF500 million level and remains a significant and attractive source of short-term funds for EDC.

*Susan Murphy
Treasury Officer*

U.S. CREDIT RISK REMAINS UNCERTAIN

**The ability to confidently predict your cash flow is essential to the success of any enterprise.
It doesn't take very many client bankruptcies to force your back up against
what can be an extremely uncomfortable wall.**

During the first eight months of 1992, EDC paid out over \$9 million on 213 claims submitted by Canadian exporters. More than 80 percent of these claims were for exports destined for the United States. And in 95 percent of the cases, the buyer either defaulted on the payment or declared bankruptcy.

As the following U.S. bankruptcy statistics reveal, Canadian exporters should approach American markets with some caution and perhaps more protection.

CLAIMS PAID January 1 to September 1, 1992

	Companies	Claims	Cdn Total
Year to Date	120	213	\$9,324,014.15

CLAIMS PAID BY COUNTRY

Algeria	3	British West Indies	Italy	8	Switzerland	1
Angola	1	France	Mexico	1	Trinidad & Tobago	1
Bahamas	1	Grenada	Norway	1	U.K.	6
Bahrain	1	Haiti	Puerto Rico	1	U.S.A.	175
Brazil	1	Iraq	Spain	3	Zaire	1
			St. Lucia	1		

RISKS

Default	141
Insolvency	62
Call of Bond	4
Repudiation	2
War Risk	2
Termination of Contract	1
Expropriation	1

Claims Paid	Total Claims
Under \$5,000	104
Between \$5,000 and \$100,000	95
Between \$100,000 and \$1 million	12
Over \$1 million	2

1991

U.S. bankruptcy figures recently released show voluntary and involuntary bankruptcies up an average of 43.7 percent over 1990 (60,746 in 1990 vs 87,266 in 1991), following a 20.6 percent increase in 1990 figures over 1989.

New England and the Atlantic seaboard areas, while accounting for only 37 percent of the number of filings, accounted for almost 60 percent of the total liabilities. One factor which undoubtedly contributed to this apparent anomaly is the fact that many of the large companies, objects of the binge of 1980s leveraged buy-outs, have their head offices located in this area. As has been widely publicized, many of these transactions collapsed under the mountain of debt required to finance them.

This figure is again highlighted in the 1991 U.S. bankruptcy results when a sectoral analysis is done. The finance, insurance and real estate sectors in the U.S., normally the stalwart sectors of the economy, posted the sharpest increase, up 53.5 percent to 5,862 from the 1989 figure of 3,818 – this following a 30.2 percent rise in 1990 over 1989 figures.

In second place is the construction sector, followed very closely by retail trade. Failures in the services sector also accounted for nearly one-third of all 1991 business failures.

Given that more than 70 percent of Canada's export trade is with the U.S., and given that these alarming figures have shown even steeper increases to date in 1992, businesses entertaining export sales potential to the U.S. should not overlook the security offered by an EDC insurance policy.

*Dan Ross
Claims Officer*

IS SELF INSURANCE REALLY CHEAPER?

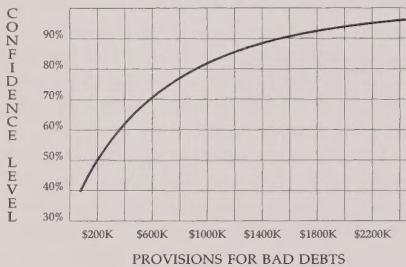
Take a look at your balance sheet. Typically you will see assets listed including cash, accounts receivable, inventory, vehicles, machinery and equipment, and buildings. Are they insured?

Chances are, virtually all of your assets are protected by some form of insurance. Even cash in the bank, in some circumstances, is insured through the Canada Deposit Insurance Corporation. Yet the asset that is probably the most vulnerable to losses is accounts receivable.

Credit Management

Many exporters simply rely on the expertise of the overworked credit department to monitor the financial position of hundreds of foreign accounts, most of which the credit manager has never even met. And even with a sophisticated credit management team, highly skilled in financial statement analysis, there are other risks that are even more difficult to

Required Provisions with Self Insurance



The graph indicates an approximate amount of provisions for bad debts necessary to cover losses at the various levels of confidence.

With EDC insurance, expected losses at desired levels of confidence are reduced.

monitor. Political risk analysis requires a completely different type of expertise – one that very few companies possess.

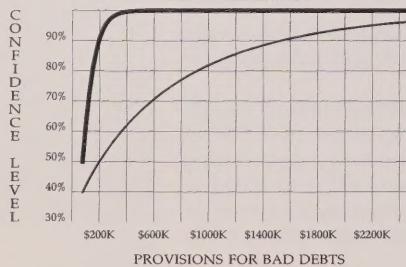
Budgeting

Managing within a budget is a challenge for most firms, particularly in the rapidly changing business environment of today. Budgeting for bad debts is especially difficult since receivables are continually being generated by a variety of customers, many of whom may not even be identified when budgets are prepared.

Some companies try to set aside provisions for

losses, but only a few have sophisticated methods for determining the appropriate level of provisions. And provisioning is not always the most effective use of a company's limited capital.

Required Provisions with EDC Insurance



Then, there is the question of confidence levels. How confident are you that your provision for bad debts will be sufficient to cover your unforeseen losses? The option is to secure access to EDC's provisioning pool and strong capital base. In addition, EDC is a AAA credit risk and is backed by the Government of Canada. Consequently there will never be any concern that EDC will not have the capacity to meet its claim obligations to Canadian exporters.

The Best Option

An EDC export credits insurance policy provides asset protection. Insuring foreign receivables simplifies budgeting. Once the sales forecast is completed, EDC insurance premiums are simple to calculate since they are based on annual export sales.

Less concern need be raised over the level of provisions since EDC will generally cover 90 percent of losses that arise for both political and commercial reasons. This frees your company to deploy its capital more effectively.

EDC premiums are a tax-deductible business expense, whereas there is little tax relief afforded by provisioning.

Finally, by insuring foreign receivables, exporters often open the door to additional working capital financing options. Banks are generally more willing to margin foreign receivables if they are EDC insured. Also, discounting foreign receivables becomes a more viable and sometimes cheaper option to margining receivables. This is partly due to the way EDC insured assets are funded by banks in accordance with the Bank for International Settlements Capital Asset Ratios (zero weighted asset for the insured portion).

So, if you aren't insuring your export receivables now, why not contact your nearest EDC Account Manager for some financial advice. By the way, in 1991 EDC insured export sales into 129 countries and paid close to \$14 million in insurance claims. And chances are, none of the claims recipients really expected they would have any losses. Instead they just followed sound risk management practices and bought an EDC export credits insurance policy.

*Richard McCorkindale
Manager, Toronto Office*

A DECADE OF RISK

NAFTA was signed on the 12th of August 1992.

**This was not only the eve of the Republican convention, it was also
the 10th anniversary of the international debt crisis.**

In fact, it was on Friday, 13 August 1982, that Mexico announced in New York that it could not pay on time and set off a chain reaction among international debtors.

Earlier in August this year – not by chance apparently – the banks finally managed to sign a debt rescheduling with Brazil, earning the thanks of everyone planning a speech or editorial for the 10th anniversary. It was too good an opportunity to miss – the end of the debt crisis was celebrated in speech and song. Everybody could go home.

What caused the debt crisis? Someone once compiled 300 explanations from various sources and almost as many solutions. A common thread was that it was not the debtors' fault and that someone else would have to pay for it, preferably you and me.

Economists like to avoid any obvious explanation – it spoils the mystery and gives the impression that anybody could figure it out. So that rules out the fourfold rise in world oil prices in 1974 and the second round in 1980.

It is true that the new plateau of energy prices acted like a major tax increase in the developed countries, dampened growth and international demand for commodities, and spurred inflation. It is also true that the world financial gurus' solution – the recycling of OPEC petro-surpluses through the IMF and the commercial banking system to finance the new deficits of oil-importing countries – translated into slowly rising external debt for many, largely to foreign banks.

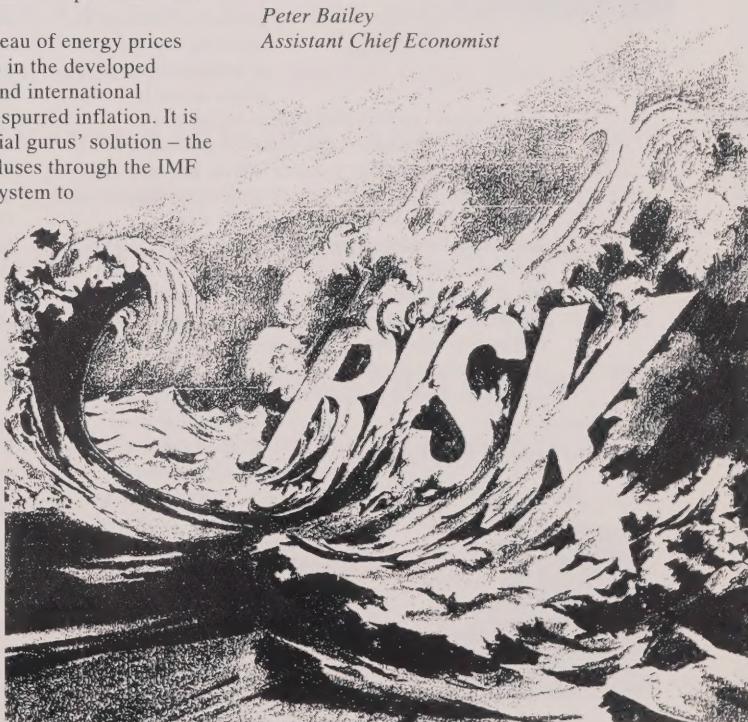
But if that was the cause of the crisis, how do we explain that many oil-importing countries managed to avoid a debt problem during the 1980s? And that several oil exporters – flush (you might think) with petrodollars – had to make the trip to the woodshed, led by no less than Mexico itself?

I'll give it a shot: the reason for the *international* debt problem of the 1980s was excessive government

borrowing on hard terms by countries of all economic types. (The corporate debt problem in some developed countries is another story.) There was a variety of reasons but one common element was the structurally fatal emphasis on the public sector as the engine of development. In a nutshell, borrowing was too often misconceived and unproductive. Another common element – mismanagement of the public finances – was just part of the same basic problem.

So the wheel has come full circle in 1992 – but has it stopped turning? Hardly. Few of the original problem debtors have managed to get out from under, and now the Soviet empire – the mother of all public sectors – has disintegrated into more than a score of new countries with not much to show except their share of its debt. It's not a cheerful story, but that's what you have EDC for – to identify and assess every risk in every country and make the best of a difficult situation. They call it risk management.

*Peter Bailey
Assistant Chief Economist*



OLD-FASHIONED CREDIT ANALYSIS MEETS NEW-FASHIONED TECHNOLOGY

On June 3, 1991, life for the average Short Term Insurance customer got a little better. That was the day Phase I of EDC's new Credit Administration System (CAS) was inaugurated and radically changed the way we did things.

It was appropriate that the "ribbon cutting" ceremony which launched the system actually involved pushing a button on a computer terminal. Because the arrival of CAS signalled the beginning of a new age in EDC's service to its Short Term Insurance customers; it signalled the beginning of

high-tech,
high-quality,
state-of-the-art credit analysis capability.

Once completed towards the end of 1992, CAS will be a start-to-finish electronic system that facilitates the credit approval process by serving as a central depository of information on credit requests,

and a support facility that makes decisions or recommendations on credit requests according to built-in credit models. In other words, not only will the system permanently record credit requests as they are entered into the computer, it will also automatically determine if there is sufficient data on the buyer and, if so, issue an approval on the spot! When fully operational, we expect CAS will handle fully 85 to 90 percent of all credit limits approved without the need for an underwriter to review the case. In recent focus groups and surveys, our

customers said to us that prompt decisions were important to their competitiveness. We're responding.

Already Phase I has had a profound effect on our responsiveness. The first part of CAS was commissioned in June 1991. Its purpose is to record all aspects of the buyer credit approval request, the buyer's credit and

financial situation as well as the final decision. An "electronic worksheet" generated by the system not only helps the underwriter to focus on key pieces of information, it also provides a paperless record of the deal. Once a decision is made, CAS then automatically prints out a letter to the customer for the underwriter's signature. Comparing the first seven months of 1992 with the same period in 1990 (1991 was a transitional year), Short Term Insurance staff handled 62 percent more cases while at the same time cut the average response time by 60 percent to 4.4 days (see graph 1). In fact, with a 35 percent same-day and 74 percent four-day response performance from January to July of this year, we've virtually redefined, and will continue to redefine, our standards in customer service (see graph 2).

Phase II should bring even more impressive results

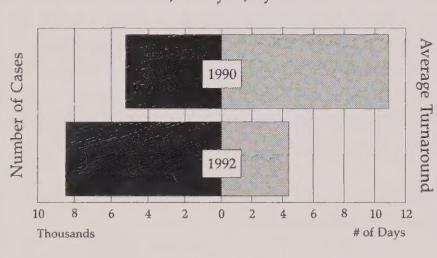
The next step incorporates a "decision support facility" which will relieve the underwriter of the burden of having to analyze and approve the more common credit decisions. By pre-programming a series of logical sequences based on key credit ratios and other factors, CAS will be able to come to the same conclusions on its own as an underwriter would. It will also assure greater consistency from decision to decision. And thanks to a mainframe-to-mainframe hookup with a major credit supplier in the U.S. later this fall, at the touch of a button CAS will have instantaneous access to information on millions of buyers. Not only will this speed up approval of the vast majority of cases, it will also allow the skilled underwriter to spend more time concentrating on the more complex credit situations and better service the other needs of customers.

But as good as this system promises to be, we will not be content to leave it as is. Already we're looking for ways to innovate even more. In fact, we're developing an overall strategic thrust on the use of technology for all insurance issues - credits, underwriting, declaration process... The satisfaction of our customers is important to us and we would like to hear from you on how we are doing. In keeping with our commitment to high-quality service, we welcome feedback on any changes you have noticed as well as suggestions on where to concentrate our efforts.

*Bernard Chartrand
Assistant Manager, Export Insurance*

Number of Cases Handled/Turnaround

January - July



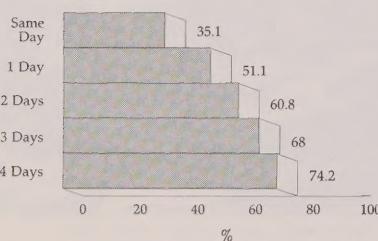
Graph 1

Graph 2

Note: Percentages are cumulative.

Turnaround of Credit Limit Requests

January - July



1 CANADIAN EXPORT AWARD WINNERS

AQUA HEALTH LTD. **AQUA HEALTH LTD.** AQUA HEALTH LTD.
DU PONT CANADA INC. **DU PONT CANADA INC.** DU PONT CANADA INC.
EICON TECHNOLOGY EICON TECHNOLOGY EICON TECHNOLOGY
HARTFORD FIBRES LTD. **HARTFORD FIBRES LTD.** HARTFORD FIBRES LTD.
IBM CANADA LTD. **IBM CANADA LTD.** IBM CANADA LTD.
LAB CHRYSOTILE, INC. **LAB CHRYSOTILE, INC.** LAB CHRYSOTILE, INC.
NORA BEVERAGES INC. **NORA BEVERAGES INC.** NORA BEVERAGES INC.
NORTECH SURVEYS (CANADA) INC. **NORTECH SURVEYS (CANADA) INC.** NORTECH SURVEYS (CANADA) INC.
CANADIAN RIESE'S CANADIAN LAKE WILD RICE **CANADIAN RIESE'S CANADIAN LAKE WILD RICE** CANADIAN RIESE'S CANADIAN LAKE WILD RICE
RIVIERA CONCEPTS INC. **RIVIERA CONCEPTS INC.** RIVIERA CONCEPTS INC.
STANDARD AERO LIMITED **STANDARD AERO LIMITED** STANDARD AERO LIMITED
VAS-CATH INCORPORATED **VAS-CATH INCORPORATED** VAS-CATH INCORPORATED
WEATHERHAVEN RESOURCES LTD. **WEATHERHAVEN RESOURCES LTD.** WEATHERHAVEN RESOURCES LTD.
WHITEWATER WEST INDUSTRIES LTD. **WHITEWATER WEST INDUSTRIES LTD.** WHITEWATER WEST INDUSTRIES LTD.

AQUA HEALTH LTD.

Health in the Underwater World

A booming aquaculture industry means good business for Aqua Health Ltd. of Charlottetown, P.E.I. As more fish and marine species are farm-raised, there's more concern for preventing disease in them.

The company researches, develops and manufactures vaccines to prevent disease in salmon, trout and lobster. A large part of the sales are to key aquaculture markets in northern

Europe. Many of these sales have been insured through EDC. In 1991 sales reached \$2.5 million, 75 percent of them to markets abroad.

Breaking into the European market came about by "doing one thing at a time," says Dr. W. D. Paterson,

President. "We have a good product and a top-notch facility that can pass regulatory standards in any country." The international regulatory approval of the facility has helped the company establish itself in markets and receive product licences for salmon, trout and lobster vaccines.

Aqua Health's foray into Europe was eased by working in a strategic alliance with a Swedish company that distributes Aqua Health products and shares the high costs of research. "In some parts of the world, unless you're working with someone in that country, it's very hard to break in," says Dr. Paterson. "We're working with a good firm that sells fish feed worldwide." With the advent of oral vaccines, the two companies were a natural fit.

Aqua Health has recently entered into another such arrangement in Bangkok, Thailand to help it penetrate the southeast Asian market. That arrangement will also involve manufacturing.

Dr. Paterson feels export success comes down to basic principles. "You have to know the industry, and plan how you're going to distribute the products. You've got to do your homework on someone else's soil and learn the rules."

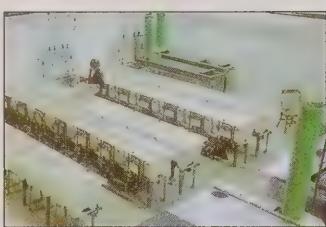
DU PONT CANADA INC.

Expanding World Sales

With its wide range of products, it's probably safe to say that Du Pont Canada Inc. has contributed something to most households — the nylon fibres in a carpet, the pouch packaging around the juice or milk in the fridge, or the LYCRA® in exercise clothing.

The Mississauga, Ontario company manufactures industrial products in fibres and intermediates, specialty chemicals and materials, and specialty plastics and films.

Du Pont Canada began exporting its products 50 years ago, and now has a presence in 60 markets. One product line that has captured a good part of the overseas export markets is heavy decitex nylon, which is primarily used in tires and conveyor belts. Thanks to solid export sales, the plant that produces the nylon now works at capacity most of the time. However, several years ago it appeared the product and the plant would face tough



times with a decreasing North American market, according to Gerry Peterson, Business Manager, Nylon and Industrial Specialties. "We forecast that the North American markets would follow the European lead, gradually switching from bias tires with nylon reinforcement, to longer-lasting radial tires using polyester or steel reinforcement," he says.

At the same time, however, the use of nylon-reinforced tires was forecast to increase in developing regions such as Asia Pacific, Middle East, Africa and South America. Peterson says Du Pont developed an understanding of the needs of these markets, and then modified the product and its packaging in response.

A fundamental part of the export strategy, he says, was committing the necessary resources to the markets, signalling that the company was committed to long-term growth. Peterson says it was a good strategy to take. "If you commit to a long-term growth perspective, you signify to your potential customers that you are interested in a long-term business relationship, not an opportunistic export foray."

But even before that stage, Peterson stresses the need for research to determine the need for the product and any unique market characteristics, such as environmental or safety considerations. Next, assess whether the product will need to be modified to meet those requirements. If so, "You have to commit yourself to substantial up-front preparation and effort if you are to succeed."

EICON TECHNOLOGY

Investing in the Future

Not many companies can say they are helping to shape the global marketplace. But with an increase in staff of 200 percent in three years and 1992 exports accounting for 90 percent of more than \$50 million in sales, Montreal's Eicon Technology has quickly become a major force in corporate information systems.

Since its founding in 1984, Eicon Technology's expertise in linking personal computers to mainframes, mid-range systems, minicomputers and other personal computers has been eagerly utilized by banks, airlines, stock exchanges, insurance companies, retail chains and governments. Eicon Technology products are part of 100,000 installations in more than 45 countries.

Another sign of Eicon Technology's success is that information giants like AT&T, NCR, Siemens/Nixdorf, Ericsson and Toshiba have extended their product lines by integrating Eicon Technology's hardware and software. Eicon Technology also works closely with IBM, Microsoft, Novell and Lotus to ensure compatibility with their products.

President Peter Brojde says that from the beginning, the future of the company has been the export market. After eight years, the company boasts sales offices in many cities, including Dallas, New York, London, Dublin, Paris, Dusseldorf, and distribution networks in more than 40 countries. Europe is the company's largest market — accounting for 40 percent of sales — followed by the U.S., Japan, Australia/New Zealand and Latin America.

"We continue to retain our worldwide presence by developing competitive products for existing and emerging markets," says Brojde.

To that end, Econ Technology has set aside more than 40 percent of its 350 employees for research and development — a fact not lost on the *Globe and Mail Report on Business*, which ranked Econ Technology among the top 100 Canadian companies for R&D spending.

"We are committed to investing heavily in research and development, and are dedicated to providing customer support at the local level," says Brojde. "These objectives have enabled us to respond to the changing requirements of corporations around the world."

HARTFORD FIBRES LTD. Covering the European Market

In real estate, the secret to success is location, location, location. But in exporting, the secret is "service, service, service," according to Andy Merchant of Hartford Fibres Ltd.

"The biggest complaint people have is that North American companies don't look after their customers," says Merchant, Vice-President of Sales and Marketing for the Kingston, Ontario company. He says, for example, that success in Europe might mean starting the work day earlier to compensate for time zones.

Hartford Fibres is Canada's only producer of flock-coated fabric, which is used in drapery and furniture. Flock coating produces fabric that has the same luxurious look as velvet, but is more durable, versatile and cost-efficient to produce. But not only does Hartford Fibres flock the fabric, it is also one of the few facilities in the world that can transfer design and colour to the fabric, creating a finished product ready for draperies or upholstery.

Merchant says that by keeping the whole process in-house, Hartford can deliver higher quality, which he feels has been the key reason for the company's growing success in Europe. "Only an expert can tell the difference between our flock-coating and velvet," he says.

Since the company was established in 1967, export sales have grown from a modest 15 percent of total sales to 91 percent, thanks to the inroads the company has made in Europe. The U.S. has been an important market for many years, and the Far East has recently become an important new focus. Merchant notes that all the company's export sales have been insured through EDC.

Merchant says that to be successful at exporting, "find out who your end users are, know who your competitors are and what their products are. Know what your products can do in the market." But more than anything, he says, look after your customers. "You have to know the mentality of your customers. Sometimes it helps to have a local person in your markets."

IBM CANADA LTD. On the Leading Edge

IBM Canada's manufacturing and development performance has set an example of excellence for IBM operators throughout the world while contributing significantly to Canadian exports. With two manufacturing plants in Bromont, Quebec and Toronto, and a software development laboratory in Toronto, in 1991 all of IBM's \$3.7 billion in sales were exports, accounting for 36 percent

of all Canadian exports in the information technology sector and 97 percent of micro-electronic exports.

Bill McClean, Vice-President, Manufacturing and Development, says IBM's manufacturing and development exports have grown 20 percent annually for the past five years because of a competitive vision and commitment to remaining at the leading edge of technological advances.

For example, its two manufacturing plants both underwent dramatic transformations in the mid-1980s. Completely remissed from a low-technology assembly of items such as typewriters, printers and displays, to high-technology operations, today they are "best of breed" in memory assemblies, power controllers, ceramic microchip carriers and other items that go into IBM's full line of products.

According to McClean, their success is tied to "continually focusing on quality, on customer satisfaction and on continuous productivity improvements. Our people are an integral part of making all of this happen."

And the results are clearly evident. In the past four years the Toronto plant has tripled productivity and doubled revenues while the Bromont plant has improved overall quality on its various product lines an average of 10 times over the last two years and in some cases up to 15 times.

The IBM Canada Ltd. Laboratory, which develops leading-edge application enabling and application development software for worldwide markets, is the fastest growing operation in the company with a growth rate of 19 percent from 1985 to 1991. In addition to being the third-largest research and development facility in Canada, it is the third-largest software development laboratory in IBM worldwide.

LAB CHRYSOTILE, INC. Conquering the Competition

Jean Dupéré, President and Chief Executive Officer of LAB Chrysotile, has every reason to be proud of LAB's performance on the export market. Last year, LAB exported 360,000 metric tons of asbestos fibre, helping maintain Canada's title as the world's largest exporter of asbestos. It was not an easy task, considering the asbestos industry's negative image, particularly in the United States — despite scientific evidence that asbestos when used properly does not threaten public health.



"Our success against the U.S. ban was very important for the future of the company," says Dupéré. "Although the U.S. market is not significant to LAB, the ban might have had a negative effect on many other countries which might have been tempted to follow the U.S. lead."

In 1989, the U.S. Environmental Protection Agency (EPA) imposed a gradual ban on asbestos, which eventually would have resulted in a complete prohibition. In 1991, the U.S. Federal Appellate Court overruled this decision concluding that the EPA had not demonstrated that the use of asbestos constituted a threat to public health and that substitutes for this natural fibre might prove even more harmful.

Since 1986, the production and sales at LAB have steadily increased from 270,000 metric tons to 360,000 metric tons. The company exports chrysotile asbestos fibres to 80 countries for the production of many products including asbestos-cement pipes, brake linings, non-flammable clothing and components for the aeronautic, nuclear and petroleum industries around the world.

The company was created in a 1986 merger of three Thetford Mines, Quebec companies into a limited partnership managed by LAB Chrysotile. Ninety-nine percent of its sales are exports, with Japan the largest market. Many of LAB's export sales in the past several years have been insured through EDC's short-term insurance.

The company's success is thanks to the high standards it guarantees, the technical assistance it provides and the close relationship it maintains with clients, which was very important during the controversy surrounding the U.S. ban. Therefore, despite tough periods, LAB has been able to stay ahead of the competition.

As Jean-Marc Leblond, Vice-President, Sales, points out: "When the limited partnership was created in 1986, our greatest challenge was to establish LAB's credibility on an extremely competitive world market. In only six years, we have succeeded in proving that we are professional in every respect, thus gaining the industry's respect."

NORA BEVERAGES INC. Marketing to Special Needs

Nora Beverages has turned a modest export flow of Naya brand water into a worldwide flood. In just five years, the Mirabel, Quebec company has increased exports from 45 percent of sales to 82 percent of its 1991 total sales of \$15.9 million. Even more remarkably, Nora only completely covered the U.S. market and entered the Mexican, Caribbean and Japanese markets in 1991.

According to Export Manager Naji Barsoum, the equation for success has several parts. Two of those parts are an excellent water source, likened to the taste of world-renowned French waters, and a state-of-the-art bottle that prevents the taste of the bottle from being transferred to the water. But a sensitive marketing campaign and competitive prices have nudged the local and international competition out of the way in countries around the world.

"We went to what we call regional marketing," says Barsoum. "Each state in the U.S., each province in Canada, each country in Europe has special needs. There are niches everywhere."

The Japanese marketing campaign targeted the nation's voracious scotch drinkers, who were challenged to use ice cubes

from Naya water to combat the taste left by melting ice cubes. In Taiwan, Naya was promoted as cooking water to enhance the taste of rice.

Similarly, some European nations were encouraged to use Naya in making coffee.

Although the campaign sat two years on the drawing board while revisions were made, it met great success when it was launched.

Barsoum says that the international mix on Nora's management team, combined with their strong backgrounds in many fields, has contributed to the export achievement.

Nora tested 200 springs before settling on the Laurentian Mountains. It is one of the few beverage companies in North America to produce its own bottles, and like its French model, Nora bottles its water at the source.

"It's very important because we don't touch our water," says Barsoum. "Air reaches the water for the first time when the consumer opens the bottle."



NORTECH SURVEYS (CANADA) INC. Surveying the World

When it comes to the surveying and positioning industry, Nortech Surveys (Canada) Inc. is in a position to be a world leader. The high-tech services of this Calgary-based



company are used in positioning satellites, navigational buoys and oil rigs; in seismic surveys; and in specialized fields such as profiling jungle terrain and underground tunnels. Nortech has a presence in 30 countries around the globe, particularly in the Middle East, Africa and southeast Asia. Some of the company's export contracts have been insured through EDC's medium-term insurance programs.

President and CEO Tim Crago says that an essential part of the company's success has been its affiliate offices in Oman and Yemen, and its sales offices in France and Malaysia. "It's difficult to procure work without being present," he notes.

In certain countries if the expertise is not available in that country, the work will simply not get done. However, having an office helps Nortech rescue opportunities that would otherwise be lost. He adds that all of Nortech's sales come from personal selling, "and you have to be there to do that."

Crago says that in each key market, Nortech has aligned itself with local representatives that have good contacts and knowledge of the country. "We spent a fair amount of time with embassies, governments and local companies finding the appropriate company or person. It's usually someone strong politically. These people have helped in a lot of different ways."

Potential new markets are often identified by Nortech's North American clients — Nortech finds out where the client has had difficulty in getting the services that Nortech offers, and then uses the client as an entrance to the foreign market. In some cases, Nortech and a client may even enter the market together.

And although Crago believes that trade missions can be useful, he adds a cautionary note: "Don't rely on the mission to do the work for you — you have to do your homework."

RIESE'S CANADIAN LAKE WILD RICE

The Healthy Approach to Success

What does it take to succeed in the hot European market? According to Lynn Riese, President of Riese's Canadian Lake Wild Rice, the secret has been a partnership with a European marketing and distribution firm. "I believe it's the best way to go, unless you can afford to have a facility in Europe."

Riese's, located in La Ronge, Saskatchewan, has been in business since 1982, and began pursuing export opportunities in 1988. But export success did not happen overnight. "We took our time looking for a company, and were careful in picking

partners. It took several years to settle the arrangement." But the time invested at the beginning has paid off, resulting in growth of 120 percent since 1989. The company now has a European warehouse in Copenhagen, from which it ships smaller European orders. Larger orders come from the company's Saskatoon warehouse.

The wild rice — more properly a type of grass — is harvested from the company's 1,100 acres of northern Saskatchewan lakes, and bought from independent growers. The green rice is cured,

roasted and dehydrated at the La Ronge plant, a process that gives the rice its distinctive black colour and nutty taste. Some of this wild rice is further processed in the factory, which produces a pancake mix and five varieties of popped rice snacks. In the works is a popped rice cereal.

In the early years Riese's looked at several export markets, including the U.S. But test marketing in key U.S. cities told the company that they didn't have the time or the money to succeed in the tough American market. However, the firm did make some inroads in New York City by securing contracts with a few upscale specialty food stores. "We don't sell to just anybody," says Riese. He says the company plans to pursue the U.S. market again, and is looking also at Japan and Pacific Rim countries.

For the time being, however, he says the company is concentrating on Europe, to take advantage of a trend toward health foods. "To a certain extent we were in the right place at the right time. In Northern Europe, particularly in the Scandinavian countries, they're very health-conscious, and we have a completely natural product, produced without chemicals or additives."

RIVIERA CONCEPTS INC. The Sweet Scent of World Success

To Gilles Chatelain, Vice-President, International for Riviera Concepts, the worldwide perfume market is a jungle. "The market isn't expanding, so it's very competitive," he says. But despite tough competition, Riviera — the manufacturer and distributor of fragrances under the names of Canadian fashion designer Alfred Sung and American couturier Bob Mackie — is exporting its products to 60 countries worldwide.



When the Don Mills, Ontario company was formed in 1985 it concentrated on first establishing Sung as the leading designer fragrance in Canada. This strategy was crucial to the company's success, says Chatelain. "You have to be one of the leaders in your domestic market first," he says. "You have to be good in your own backyard."

Using its Canadian success as a springboard, in 1987 Riviera introduced Sung to the export market through Canadian duty-free and border shops, and in 1988 launched it in the U.S. market, where Sung quickly claimed seventh spot in sales. The company now has a sales and marketing subsidiary in Beverly Hills, which was an important part of the U.S. success, and a distribution centre in Buffalo, N.Y.

After expanding into the Caribbean, Latin America and the Middle East, in 1990 Riviera introduced its products into Europe. Not surprisingly, it was a fiercely competitive market. There, the company encountered fervent European nationalism and enormous differences in how products are distributed. Chatelain says the secret in Europe was seasoned local distributors who know their markets and use appropriate marketing techniques. "It's difficult to break that cultural bias. Local distributors are absolutely essential to help us approach the markets." In 1992 Riviera launched Sung in the Far East, and will soon consolidate its expansion in Europe by opening an office in London.

During the past four years, the company's export sales have grown 700 percent, and now account for 70 percent of total sales.

Chatelain says to succeed in export markets, a company needs a strategy. First, identify which markets to concentrate on. "You cannot start in all countries at the same time. You have to work in concentric circles." Then, "Be prepared to adapt your product to foreign markets." And finally, be prepared to travel — to meet potential customers, to attend trade shows and eventually trade missions. "You have to be prepared to take your product in your suitcase and forge ahead!"

STANDARD AERO LIMITED The Total Quality Edge

From the days 30 years ago when Canada's Department of National Defence was its only customer, Standard Aero of Winnipeg has grown to become one of the world's largest independent suppliers of turbine engine and accessory repair and overhaul services. The company exports its services to more than 80 countries, and has had particular success in the U.S.

According to Paul Soubry Jr., Vice-President of Marketing and Business Development, some of Standard Aero's U.S. success can be attributed directly to the nature of the industry. "Aerospace has been deregulated for some time, so in North America Canadians have always competed head on with U.S. facilities."

Standard Aero has strategically located four regional sales and support facilities in the U.S. "We've established a local presence to make customers feel comfortable with sending their equipment to what some perceive as a foreign country."

Although the U.S. wasn't much different from Canada, Soubry says breaking into Europe was "a whole different game." Faced with so many different languages and cultures, Standard Aero has complemented its sales activities by using local representatives who are familiar with the protocol of working in particular cultures. In addition, the company has used EDC financing and insurance services to help it access international markets. "We've been very successful in using EDC. It's a competitive weapon which in many cases has been the deciding factor for customers to choose Standard Aero."

The company's current edge is thanks to Total Quality Management (TQM). Now midway through a five-year implementation, the program will culminate in what Soubry calls "a complete redesign of the company, aimed at creating a clear point of difference from the competition, not only in the way the company operates, but in terms of product quality, price, turn time and service level."

For example, Standard Aero has begun moving away from

traditional marketing techniques such as magazine advertising. Instead, says Soubry, it is "creating databases of potential customers and targeting them individually using tools they want

— like providing free training to their maintenance personnel or helping them with spare parts management." According to Soubry, one of the most attractive features for customers is that the

company takes care of transportation and customs logistics, making what is an intimidating and complicated process invisible for customers.

"We're trying to imagine ourselves as the customer," he says. "With reduced defence spending around the world and the depressed commercial marketplace, we're trying to find ways we both win."

VAS-CATH INCORPORATED Making Medical Breakthroughs

Vas-Cath Inc. is one great Canadian export success story whose steady increase in sales is based firmly on regular upheaval.

The Mississauga, Ontario manufacturer of medical devices has seen annual growth of at least 35 percent for the past three years while upgrading its products every six months. But Jane Martin, Vas-Cath's president and CEO, says one of the best moves the company ever made was to establish a distribution network for a new balloon angioplasty catheter, independent of a highly successful distribution network that had already garnered its dialysis catheters worldwide attention and sales.

"We did something which is generally considered in textbooks to be very difficult, and that is diversifying into totally new technologies, new product lines, new users and new markets," she says.

Distributors with expertise in radiology and cardiology were found for the sophisticated catheters, which are used to open blocked arteries.

Finding knowledgeable distributors and developing a trusting relationship with

them has been key to the company's success.

Vas-Cath has increased its U.S. market share from 17 to 42 percent in the last four years and has captured approximately 10 percent of the European market for the new peripheral angioplasty line of products and services. Exports account for 95 percent of the company's sales.

"I think a lot of entrepreneurs are too protective of their



businesses," says Martin. "New distributors are often not given the information they need to perform and be an integral part of the team. Nor is enough attention paid to what those distributors have to say."

Although Vas-Cath counts on its distributors' knowledge of markets like the U.S. and Europe — its two largest — the control of marketing strategies and pricing remains firmly with Vas-Cath.

"We tell them what our philosophies are and if they don't agree then obviously we can't do business," she notes. "By communicating priorities and setting goals that are meaningful for both companies, and demonstrating to the distributor the benefits and the merits of our product and our support, we can see that it is good for everybody."

WEATHERHAVEN RESOURCES LTD.

Going to the Ends of the Earth

It could be said that Weatherhaven Resources goes to extremes — particularly when it comes to temperature. The company designs, manufactures and installs durable fabric structures designed for both hot-weather and cold-weather remote locations. Its specialty is fully equipped industrial camps that it has installed all over the world, from the frigid regions of Antarctica and Greenland to the sweltering heat of the Sahara.

Marketing Vice-President Jack Gin says Weatherhaven's success is partly because it is a full-service company that will quite literally go anywhere in the world to deliver, install and service its products, "as long as we don't have to dodge bullets. A lot of people don't want to go into the unknown, but we will." Not surprisingly, he adds that Weatherhaven's staff includes its share of mountaineers and expedition leaders.

The Burnaby, B.C. company — which combines the expertise of a world-renowned expedition company and a Vancouver construction firm — started out supplying cold-weather shelters for scientific and mineral exploration expeditions, and this remains a key part of the business. Weatherhaven is now focusing on Russia for its cold weather products.

The company later adapted the shelter's outside cladding and insulation for desert and tropical locations. Currently the company supplies these shelters to peacekeeping forces in South Lebanon, Angola and the demilitarized zone between Kuwait and Iraq.

Gin says that Weatherhaven has succeeded by keeping informed of what's happening in the world, whether that's developments in resource exploration or political changes taking place half a world away. "When a country's political situation changes, it can open up opportunities." He adds that staff are equipped with the latest information technology, to allow them to keep in touch with world developments wherever they are.

Information is one key to exporting successfully, according to Gin. "You need information on the market you're trying to break into, and if it's not feasible to go there yourself, make contacts." He suggests drawing on Canadian embassies' trade officers, and continuing to follow up with them. But at the proposal stage, he feels it's crucial to meet the customer.

Gin says exporting simply comes down to "basic salesmanship. Don't think you can't sell to them because they have a different culture. Everybody's the same."

WHITEWATER WEST INDUSTRIES LTD.

Sliding to Export Success

As the world's largest designer, manufacturer and supplier of water park equipment, Whitewater West Industries Ltd. has had a glorious ride to export success. Its annual sales now total \$11 million, virtually all of it from export sales. Recent projects include the world's largest and second-largest wave pools in Disney World's Typhoon Lagoon and Sun City, South Africa; as well as water park projects in China, Texas and Taiwan. One of the company's key Asian markets is Japan, where it recently installed the world's largest water park on Rokko Island, and the world's second-largest water park in Tokyo.

"We've had success in Japan because we have learned a little bit about the culture," says Whitewater's President, Geoffrey Chutter. "But more than that, we respect the culture and try to work within it."

He believes that other Canadian companies can have the same type of success in Japan. "One advantage for Canadian companies in Japan is our 'Canadianism'. We're less aggressive, more likely to listen rather than talk."

Whitewater works through trading houses in Japan, which he says are "instrumental" for any company wanting to enter the market. In other Asian countries the company has established sales and marketing alliances with other firms. In addition, sales offices are located in Ohio, Washington, D.C. and England.



The heart of Whitewater West Industries is a fibreglass manufacturing plant in Kelowna, B.C. When the plant is not producing water slides, several other fibreglass products are in the works. The most successful of these has been the Soft Bathtub, which has a soft foam core that makes it much safer than traditional hard enamel tubs.

Whitewater worked with a Japanese company in designing one style especially for the Japanese market — shorter and deeper than those sold in North America, to capitalize on the Japanese tradition of soaking tubs. It promises to be a big seller.

"It's important to think about how your product will fit into the Japanese market," says Chutter. "Companies that adapt their products to different markets will do quite well." •

ASIAN MARKETS

A hedge against recessionary times

Economic conditions at home have resulted in challenging times for many Canadian companies.

Some, however, have been able to strategically position themselves to reap the benefits of strong economic growth in Asia. A recent business mission to this region, headed by Minister for International Trade, Michael Wilson, has further strengthened these ties.

September 1992, executives from 15 Canadian companies and EDC's Western Regional Vice-President, Peter Foran, met with ministers and heads of major private and state organizations in Malaysia and Vietnam. "I was most impressed with the eight percent plus growth rate in Malaysia," says Foran, "and the opportunities for Canadian companies – particularly in the oil and gas sectors."

For many Canadian exporters, commercial contracts with Asian buyers have provided a successful hedge against our domestic economic slowdown.

In the articles below, we highlight several companies that, despite obstacles, were determined to expand their export sales into Asian markets and have succeeded.

BABCOCK & WILCOX GENERATE ASIAN POWER

Asia's strong economic growth has made it a key market for Babcock & Wilcox (B&W) of Cambridge, Ontario. A world leader in the manufacture and delivery of power generation equipment, B&W's vision and long-term commitment to this area have led to substantial contracts in Thailand, Taiwan, Indonesia, and China.

Says External Communications' Manager, Chris Morrice, "You have to recognize that the Asian philosophy towards business is different – there is a great dependence on developing strong relationships first." B&W initially sought to develop these relationships with regular market visits and local agents. These efforts evolved into the formation of successful joint ventures with local and foreign companies in Indonesia and China. These give B&W the ability to reduce overall project costs by manufacturing and

sourcing supply locally. As Proposal Manager, Peter Bond points out, "Joint ventures keep B&W on the ground and close to the market."



Babcock & Wilcox
has substantial
contracts in Thailand,
Taiwan, Indonesia
and China for its
power generation
equipment.

Emerging Opportunities

Various Asian markets have been experiencing positive economic trends – privatization, deregulation and foreign investment. While the implications of privatization are varied, it generally fosters a climate more receptive to promoting investment and economic expansion. With trade deregulations, as tariff and import regulations ease, more accessible markets and business opportunities are being created for exporters.

In addition to the industrial requirements that have emerged from Asia's economic explosion, substantial infrastructure projects will need to be undertaken in the near future. In the articles that follow, we have identified some of the major requirements in Korea, Thailand and Taiwan, and have highlighted the opportunities that will be emerging for Canadian exporters and investors.

Doing Business in Asia

When doing business in Asian markets, establishing and cultivating relationships is essential to success. EDC has built relationships with key Asian decision-makers in various government agencies and private sector firms. As the evolution of Asia's positive economic trends continue, EDC financing and insurance facilities are also evolving to meet our clients' needs. We can complement exporters' bid proposals with financing options tailored to the needs of buyers and/or borrowers, structure direct loans including project financings, provide guarantees and supplier credits, or process allocations under existing lines of credit. We, along with other key market contacts, are ready to provide you with the information you need. Don't hesitate to call. Check the list on page 31 for the Regional Office nearest you. A pull-out "Guide to Asia and the Pacific" and an "Asia Pacific Contact List" are on pages 25 and 26 for your convenience.

BAILEY SYSTEMS CONTROL POWERPLANTS

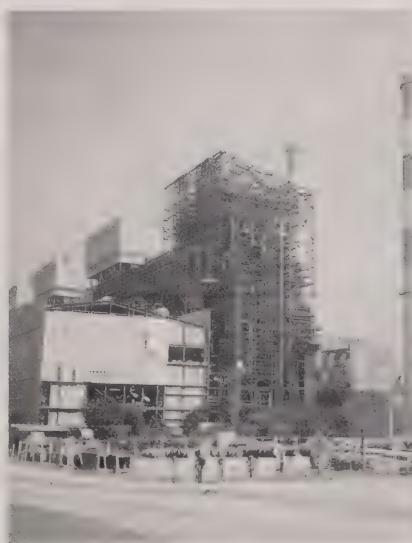
Twenty-five years ago, Bailey Canada Inc. of Burlington, Ontario began its Asian marketing efforts. These efforts were in response to a perceived opportunity to export their expertise in the design and assembly of distribution process control systems for boilers and power plants.

Bailey representatives visited the markets frequently, and over time the company managed to develop strong working relationships. Bailey's first contract in Singapore gave the company the chance to prove its capabilities. Since then, it has won contracts in Indonesia, Taiwan, China,

plus a series of contracts with the Electricity Generating Authority of Thailand.

China was a special challenge as Bailey found it difficult to get close to its customers. The company decided that joint ventures, where Bailey contributes technology and training, were the best way to go. According to Vice-President, Finance, William Merkirk, "Joint venture partnerships ensure that we are in for the long run, and give us the best opportunity to provide a quality product and establish our reputation in China."

Bailey Canada has worked on the controls and instruments at the Mae Moh Power Plant in Thailand since 1978.



KOREA: OPPORTUNITIES FOR CANADIAN EXPORTERS ARE INCREASING

As Korea makes the transition to a sophisticated high-technology economy, its annual expenditures on infrastructure are expected to exceed \$20 billion.

At present, as each other's sixth-largest trading partners in 1991 (\$3.8 billion in two-way trade and \$1.7 billion in Canadian exports), Canada's exports are skewed towards coal, logs, wheat and aluminum. Opportunities for Canadian manufactured goods and engineering services, however, are increasing in such areas as environmental technology, aerospace, auto parts, telecommunications, informatics and instrumentation.

Export opportunities are in great part derived from the capital expenditure plans of various state agencies.

The Korean Electric Power Corporation (KEPCO) plans capital expenditures of approximately \$5.0 billion a year to double its generating capacity. Opportunities exist for Canadian manufacturers of conventional and nuclear power generation and transmission

equipment. The Korean Telecommunications Authority (KTA) has a five-year plan to invest \$8 billion to increase telecommunications capacity by 25 percent. Canadian suppliers could provide data transmission equipment, satellite equipment and services. Expenditures of \$18.7 billion are also planned by Korea to improve the environment in the next five years.

In Korea, 60 major companies ("chaebols") play a dominant role in the economy and exporters can often benefit from an association with one of the chaebols. In the choice of a local partner, both sides need to understand their objectives and how the association will meet the market's needs. Koreans have historically been interested in local manufacturing and technology transfer. However, there is evidence at the present time of a shift in interest from merely purchasing technology licences to transferring technology by way of joint ventures. Verbal agreements are of great importance to Korean businessmen. Establishing trust and forming relationships with key

CHEMTECTS ENGINEERS INROADS INTO ASIAN MARKETS

A perceived need to broaden its markets beyond North America and Europe led Chemetics

International Company Ltd. (Chemetics) to Asia in the mid 1980s.

Serving customers in the chemical, fertilizer, mining, and pulp and paper industries, this Vancouver-based engineering company has been successful in obtaining contracts in China, Thailand and Indonesia.

This Chemetics-engineered plant in Taiwan preconcentrates spent acid from methyl methacrylate and produces concentrated sulphuric acid.



"Asia is a market that requires a long-term approach," says Vice President Michael Rushton. "Regular market visits are essential," he says, "to develop opportunities, supplement the efforts of our representative offices in China and Taiwan, and benefit from our parent company, John Brown's local offices in Asia." The company credits its success to having established contacts, language skills, and talented technical people familiar with Asian business practices.

Chemetics has learned how to do business in the major Asian markets and has become familiar with the longer time required to obtain contracts. "Asia will be a key market over the next few years," says Rushton, "and Vancouver will continue to be a good location to obtain supplemental support from companies active in Asia trade."

decision-makers require exporters and investors to take a long-term view in Korea.

Exporters can benefit from the experience of the Canadian Embassy in Seoul and the Department of External Affairs in Ottawa (contacts are listed in the pull out contact list, page 26). A useful forum to meet other successful exporters is the Canada-Korea Business Council (CKBC) which can be helpful in assisting exporters to make Koreans more aware of Canadian capabilities. CKBC, formed in 1981, promotes trade, investment, technology transfer, joint ventures and economic cooperation with Korea. The activities of the CKBC, which are managed by the Canadian Chamber of Commerce in Ottawa, include publishing a quarterly bulletin, liaising with Canadian and Korean governments on key trade issues and providing information on missions, exhibitions, and key economic and political events.

Also of help to exporters is the Toronto-based Korean Trade Promotion Organization (KOTRA), a Korean government organization that promotes trade between Korea and Canada. KOTRA is a

source of information and advice on Korea and organizes trade fairs. The information on how to reach these trade organizations is also provided in the contact list.

The Korean banking system is a highly regulated one. The government controls interest rates, exchange rates and restricts foreign borrowings. However, the system is gradually becoming more liberalized according to a timetable set by the government. The Bank of Montreal, Bank of Nova Scotia, Royal Bank and National Bank have branches in Korea and exporters can benefit from their thorough knowledge of the market.

While offshore financing has been discouraged in recent years by the Korean government, some increased utilization of external financing is anticipated subject to government approval. EDC has experience in arranging financing and insurance for transactions in Korea and would be pleased to pursue opportunities with you.

KSH PAPER MILLS DOT THE REGION

Klockner Stadler Hurter's mill in Sipitang, Sabah, Malaysia produces over 200,000 tonnes of pulp and paper per year.

KLOCKNER STADLER HURTER (KSH) initially broke into the Asian market in 1980 and the company is now concentrating a significant portion of its marketing efforts in the area. The Asian activities of this Montreal-based company include

pulp and paper and industrial projects in Thailand, China, Malaysia and Indonesia.

According to Senior Vice-President, Alan Curleigh, "Every Asian market is unique. Exporters and investors must be prepared to invest a lot of time developing key relationships." KSH, together with its affiliate companies, uses an extensive network of in-country business development offices to pursue opportunities, a growing number of which are being developed by the private sector.

As the company generally undertakes large projects, working effectively with consortiums is essential. Curleigh points out that a multi-national consortium approach, such as that used to secure a US\$90 million contract to build a caprolactam plant in China, "spreads the risk and ensures the optimal allocation of resources."



TAIWAN: CANADIAN EXPORTERS ARE CONSIDERED COMPETITIVE

Taiwan has a very successful economy with a high growth rate and the world's largest official foreign exchange reserves of US\$83 billion.

In 1991, two-way trade between Canada and Taiwan amounted to \$3.25 billion, including Canadian exports of \$1.0 billion. Similar to Korea, Canada's exports are dominated by raw materials and agricultural products. Major Canadian exports to Taiwan include coal, wood pulp, chemicals, hides and paper. However, Canada's manufactured goods exports to Taiwan, while small, are increasing rapidly with the sale of aircraft, boilers for thermal power stations and telecommunications equipment.

Taiwan is expected to continue its high growth rate in the 1990s and to use its large foreign exchange reserves to improve the country's infrastructure and environment. The new six-year infrastructure development plan for 1991-1996 envisages the expenditure of US\$300 billion. The major components of the plan are US\$100 billion for telecommunications and transportation,

US\$37 billion for energy, US\$34 billion for housing, US\$12 billion for industry and US\$10 billion for the environment. The successful private sector is also expanding its investment in Taiwan and offshore in Thailand, Malaysia, Indonesia and Vietnam, and should be considered by Canadian exporters as potential buyers and partners for strategic alliances. Canadian exporters are considered competitive in the priority areas of energy, telecommunications and transportation equipment, and environmental protection services.

In Taiwan, relationships need to be established and cultivated over the long term to succeed. The competition from traditional suppliers in the U.S.A., Japan and Europe is intense and Canadian exporters need to be competitive in technology, price and service. There is a need to increase buyers' awareness of our capability. Visits to Taiwan are useful to develop relations, and with some buyers the use of a good local agent is beneficial. Agreements are generally shorter and more ambiguous than in Canada so having a good

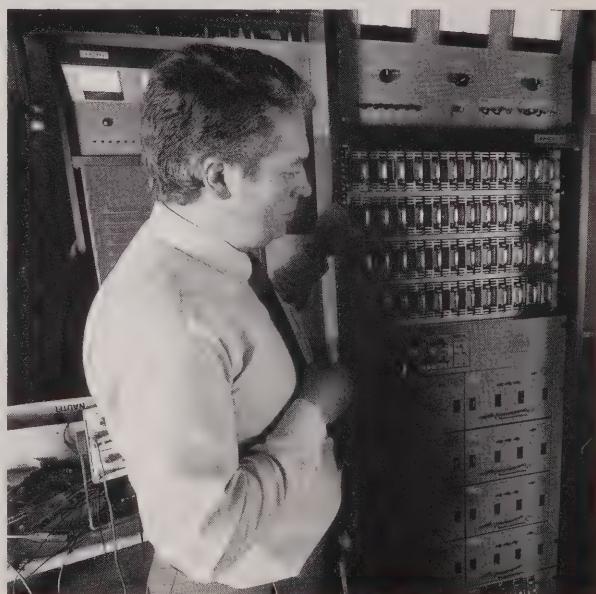
NAUTEL CAPTURES ASIAN AIR WAVES

"Twenty odd years ago, we decided that if we were going to be successful, we'd need to export," says Nautical Electronic Laboratories (Nautel) President, David Grace. "The economic stability of Asian markets made them most attractive customers."

Founded in 1969 by Dennis Covill, Nautel is one of the world's leading manufacturers of radio beacons and AM broadcast transmitters. It is also the sole employer in Hackett's Cove, Nova Scotia, outside of the fishing and tourism industries.

Has the Asian market proven itself to be profitable? "Over the past 15 years, we've sold our product virtually throughout Asia," says Grace. "We consider the experience to be a very positive one."

Nautel's President, David Grace, checks their AM broadcast transmitter equipment that is exported throughout Asia.



business partner is more important than relying on the Taiwan legal system. Canadian companies need to adapt to the unique characteristics of the Taiwan market and understand the complex decision-making process.

Taiwan has many small- and medium-sized family-owned, export-oriented manufacturing businesses that are the backbone of the economy. They do not follow the same accounting standards as North America, but Canadian banks are well represented in Taiwan and can offer useful advice to exporters on the local buyer's reputation and financial capability. The Canadian Trade Office in Taipei (CTOT) can provide information on Taiwan. CETRA, a Taiwan trade organization, has substantial information on trade and business opportunities and organizes incoming Taiwanese missions in key sectors such as the environment. CETRA operates in Canada as the Taipei Economic and Cultural Office.

To promote the increased trade between Canada and Taiwan, the Canadian Chamber of Commerce opened the Canadian Trade Office in Taipei in the fall of 1986 and has a Taiwan desk at headquarters in Ottawa.

The Canada - Taiwan Business Association (CTBA) has been in existence since 1986 to support trade, investment, cultural exchanges and tourism between Canada and Taiwan. Over 200 participants have attended the annual joint meetings which alternate between Taipei and various Canadian cities. The CTBA supports the Canadian Trade Office in Taipei, organizes trade missions and publishes on a quarterly basis the Canada - Taiwan Business Review. Information on contacts at CTOT, CETRA and CTBA is provided in the pull out contact list on page 26.

The infrastructure development of Taiwan has traditionally been financed through internal resources, local banks, the stock market and insurance companies. Authorities encourage the use of Taiwan's large financial resources for domestic capital projects. Given the substantial \$300 billion infrastructure program, in addition to private capital investment, some offshore long-term lending could develop in the future. EDC is interested in providing long-term commercial financing in cooperation with banks as well as insurance facilities to support Canadian exports to Taiwan.

PATTON & COOKE LIGHTS UP ASIAN MINES

The opportunity to take Canadian technology to Asia, to assist in providing safety and economic efficiency, was what attracted Patton and Cooke Ltd. to the Asian markets. The company is now successfully pursuing business in China, the Philippines, India, Pakistan and Thailand.

Established in 1961 and currently employing 34 people, the Surrey, B.C. company is a world leader in high-quality, high-voltage electrical systems for the mining industry.

To what do they owe their success? "To three things," says President and CEO, Greg Patton, "Patience, patience and still more patience. Since identifying China as one of our major markets, I've made 31 trips in the last seven years."

To show the Chinese that they have quality products and technical competence, Patton & Cooke has tested its equipment in the harshest climates in China over the last four years. In the past two years the company has realized

substantial sales. "You have to gain their trust," says Patton. "You can't just waltz in and get an order. You have to develop the marketplace, establish relationships and prove your integrity. Dealing with the designer, manufacturer and technical service people through one entity is very important to Asian clients."

Patton & Cooke's high voltage electrical equipment in an iron mine in Liaoning Province, China.



THAILAND: GREAT POTENTIAL FOR GLOBALLY ORIENTED FIRMS

Thailand's economy has grown strongly over the past five years, outpacing the growth rates

achieved by most developed and developing countries. While recent political events are unsettling, economic fundamentals remain strong and Thailand continues to hold a great deal of potential for globally oriented firms.

The emergence of the Thai economy can be attributed to many factors, including its abundant natural resources, pool of low-cost labour, well-developed legal system and strategic location in South Asia. Though the economy is expected to cool off in 1992 and 1993, growth will remain relatively strong. Further, Thailand is well positioned as a gateway to

the emerging markets of Indochina and is expected to play an important role in the economic development of the area.

Thailand's seventh five-year plan is the government's blueprint for development over the 1992-1996 period. Trade and investment liberalization efforts will continue and six priority industries are targeted for development:

agro-industry and food processing, textile and garment production, electronics, metal-based manufacturing, petrochemicals, and iron and steel. Investments in these export-oriented sectors may be eligible for fiscal and non-fiscal incentives from Thailand's Board of Investment. Strong potential also exists in areas of Canadian expertise such as the pulp and paper and environmental sectors.

Infrastructure development, especially in the transportation, communications, and power generation sectors, is essential if Thailand is to maintain the current pace of economic growth. Recent decisions to award major transportation and

telecommunications projects to private companies may be a precursor of the Thai government's intentions with respect to future projects.

Thailand's debt and equity markets are relatively well developed and major private sector players have access to large pools of capital. Nonetheless, offshore borrowing is likely and prospective investors and exporters may face increasing pressure to complement their bids with financing proposals. EDC tracks market developments in Thailand closely and has lent in excess of \$200 million to Thai borrowers in support of exports of Canadian capital goods and services since 1988.

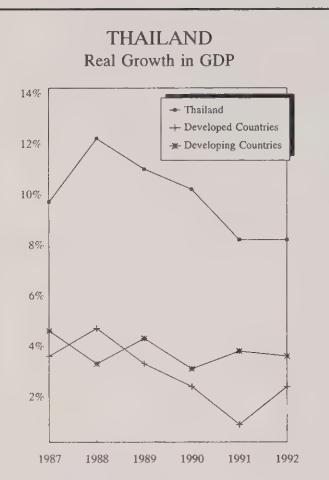
While opportunities exist, Thailand is not a "quick sell" market. Relationships with buyers and potential partners must be developed carefully to foster mutual trust. Prospective exporters and investors are encouraged to invest the time of their senior management in exploratory trips. This will be interpreted as a sign of respect and may facilitate discussions. Patience, perseverance, and a non-confrontational approach are keys to the establishment of profitable relationships in this market.

Enterprise Thailand-Canada

Enterprise Thailand-Canada (ETC) is a CIDA program administered by the Canadian Imperial Bank of Commerce (CIBC). ETC's objective is to promote new business relationships between Thai and Canadian companies by way of joint ventures, technology transfers, and other forms of partnership. ETC Financial Assistance Program grants are available to Thai companies on a shared cost basis to fund the cost of feasibility and other studies. Financial assistance for starter studies, viability studies, and project support is also available to Canadian companies through the CIDA-INC program. (See page 26 for contacts.)

Board of Investment

Thailand's Board of Investment (BOI) is responsible for administering incentives to encourage investment in priority areas of the Thai economy. BOI priorities include development of export-oriented industries, economic growth of regions outside Bangkok, and high-priority industries identified by the government. Contacting BOI is the first step to investing in Thailand. (See page 26 for contacts.)



TOP EXPORT/INVESTMENT OPPORTUNITIES

- Equipment and services for the following industries:
 - Telecommunications
 - Transportation
 - Power generation
 - Oil and gas
 - Petrochemicals
 - Food processing
- Industrial machinery and equipment for production of the following goods for export:
 - Base metals
 - Chemicals
 - Plastics

EXPORTERS' GUIDE TO MAJOR MARKETS IN ASIA AND THE PACIFIC

Country Population/ Per Capita GDP	EDC Position Short Term Med./Long Term	Principal Imports/Requirements	Total Imports U.S. \$	Cdn. Exports Cdn. \$	Remarks
South Asia					
India 750m/\$320	• Case by case • Case by case	Fuels, Non-electric machinery, Transportation equipment	\$20.9b	\$270m	Major reforms under way to liberalize trade and finance systems and to attract foreign investment.
Indonesia 180m/\$622	• Case by case • Open	Machinery, Transportation Equipment, Chemicals	\$24.3b	\$328m	Economy under harness. Must identify priority projects.
Malaysia 15.2m/\$2432	• Case by case • Open	Machinery, Transportation Equipment, Chemicals	\$35.0b	\$307m	High-growth economy and opportunities for infrastructure development.
Pakistan 105m/\$407	• Open • Limited availability	Oil, Minerals, Non-electric machinery	\$9.0b	\$53m	Bold moves being made by government to liberalize and deregulate the economy. Privatization program under way.
Singapore 2.5m/\$10560	• Open • Open	Machinery, Transportation Equipment, Electrical appliances	\$49.6b	\$356m	Key regional trade and financial centre.
Sri Lanka 16m/\$534	• Open • Limited availability	Fuels, Machinery	\$2.7b	\$16m	Incentives are available to encourage foreign investment in export oriented industries.
Thailand* 50m/\$3700	• Open • Open	Machinery, Transportation Equipment, Basic manufactures	\$33.6b	\$288m	Five-year plan targets agro-industry, textiles, electronics, petrochem., metal manufacturing and iron/steel.
Vietnam 60m/\$103	• ILC Terms only • Off cover	Fuels, Vehicles, Chemicals	\$1.2b	\$10m	Very strong long-term potential for infrastructure development projects.
Pacific & North Asia					
Australia 17m/\$16480	• Open • Open	Machinery, Transportation Equipment, Industrial supplies, Telecommunications	\$32.0b	\$627m	Opportunities in telecommunications sector.
China* 1100m/\$327	• Open • Open	Capital Goods Infrastructure development, Petrochemicals, Energy, Telecommunications	\$47.2b	\$1672m	Applying for GATT membership. Five-year plan for power generation, telecommunications, pulp. Economic reforms are continuing to proceed.
Hong Kong 5.4m/\$10930	• Open • Open	Transportation development	\$72.1b	\$817m	Major infrastructure projects (power/air/transit)
Japan 122m/\$23000	• Open • Open	Fuels, Petroleum, Foods, Chemicals	\$210.8b	\$7111m	Financial sector retrenching under BIS requirements. Methods for entering market (trading houses/technology transfers/joint ventures).
New Zealand 3.4m/\$11330	• Open • Open	Mechanical appliances, Minerals, Chemicals	\$8.8b	\$92m	Opportunities in telecommunications (deregulation).
Philippines 55m/\$733	• Open • Limited availability	Machinery, Transportation Equipment, Mineral fuels	\$12.1b	\$179m	Five percent import surcharge removed June 30/92. New government expected to continue with IMF program.
South Korea 42m/\$5602	• Open • Open	Environmental technology, Aerospace, Auto Parts, Telecommunications	\$69.8b	\$1861m	Power generation sector targeted. Elections for Fall 92.
Taiwan 19m/\$7293	• Open • Open	Thermoplastics, Machinery	\$61.1b	\$1050m	Applying for GATT membership. US\$300b. infrastructure program. Bidding process not straightforward.

* For Line of Credit information please see pages 28-30.

ASIA PACIFIC CONTACT LIST

External Affairs and International Trade Canada

Asia and Pacific Branch
Lester B. Pearson Building
125 Sussex Drive
Ottawa, Ontario
K1A 0G2

East Asia Trade Development Division

	Michel Perrault Director	Tel.: 613-995-7575 Fax: 613-996-4309
China	Ted Lipman Deputy Director	Tel.: 613-992-6129
Hong Kong	Dan Mrklich	Tel.: 613-995-6962
Korea & Taiwan	Bill Bhaneja Deputy Director	Tel.: 613-995-8705

Asia-Pacific South Trade Development Division

	Louise Fortin Director	Tel.: 613-996-0910 Fax: 613-996-4309
ASEAN	Jackie Snyder Deputy Director	Tel.: 613-996-3667
Thailand	Eileen Durand	Tel.: 613-992-0959

Embassies and Consulates in Canada

CHINA

Embassy of the People's Republic of China 515 St. Patrick Street Ottawa, Ontario K1N 5H3	Yu Zhi Ting First Secretary (Commercial)	Tel.: 613-234-2718 Fax: 613-230-9794
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Embassy of the Republic of Korea

151 Slater Street, 5th Fl. Ottawa, Ontario K1P 5H3	Myeng Kean Ha Attaché (Commercial)	Tel.: 613-232-1715 Fax: 613-232-0928
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THAILAND

Royal Thai Embassy Office of the Commercial Counsellor 275 Slater St., Suite 1801 Ottawa, Ontario K1P 5H9	Id Ayawongse Minister Counsellor (Commercial)	Tel.: 613-238-4002 Fax: 613-238-6226
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Trade and Business Councils

CHINA

Canada – China Trade Council Citibank Place, P.O. Box 16 Suite 702, 123 Front St. W. Toronto, Ontario N5J 2M2	Felix Li Executive Director	Tel.: 416-954-3800 Fax: 416-954-3806
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China Office

Suite 18-2, CITIC Building 19 Jianguomenwai Street Beijing, China	Nancy Lu Manager China Operations	Tel.: 86-1-512-6120 Fax: 86-1-512-6125
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KOREA

Canada – Korea Business Council 55 Metcalfe St., Suite 1160 Ottawa, Ontario K1P 6N4	Patricia Kanaya Director	Tel.: 613-238-4000 Fax: 613-238-7643
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Korean Trade Promotion Organization (KOTRA)

Thompson Bldg. 65 Queen St. W. Toronto, Ontario M5H 2M5		Tel.: 416-368-3399 Fax: 416-368-2893
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CETRA

Tapaei Economic and Cultural Office Suite 3315, 2 Bloor Street East Toronto, Ontario M4W 1A8		Tel.: 416-922-2412 Fax: 416-922-2426
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TAIWAN

Canadian Trade Office Taipei Trade & Tourism 123rd Floor 365 Fu Hsing North Rd. Taipei, 10483 Taiwan	Ronald J. Berlet Director	Tel.: 866-2-713-7268 Fax: 866-2-712-7244
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THAILAND

Thai – Canadian Chamber of Commerce 10th Fl., CP Tower 313 Siлом Road Bangkok 10500, Thailand	The Executive Director	Tel.: 662-231-0891 Fax: 662-231-0893
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Enterprise Thailand-Canada

Commerce Court North-15 Toronto, Ontario M5L 1A2	Brian Smith Director	Tel.: 416-861-3786 Fax: 416-861-3787
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Bangkok Office

10th Fl., CP Tower 313 Siлом Road Bangkok 10500, Thailand	Mark Paetkau Director	Tel.: 662-231-0894 Fax: 662-231-0900
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Office of the Board of Investment

555 Vipavadee Rangsit Rd. Bangkhen, Bangkok, 10900 Thailand	The Secretary General	Tel.: 662-270-1400 Fax: 662-271-0777
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Trade Commissioners Abroad

CHINA

The Canadian Embassy 10 San Li Tun Road, Chao Yang District, BEIJING, China	Fred Bild Ambassador	Tel.: 86-1-532-3536 Fax: 86-1-532-1684
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Trade Section

Ta Yuan Bldg., 4th Fl. No.4 South Liang Ma He Road, Chao Yang District, BEIJING, China	R. Craig Minister (Commercial)	Tel.: 86-1-532-3031 Fax: 86-1-532-1684
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The Consulate General of Canada

4th Floor, Union Building, 100 Yan'an Road (East), SHANGHAI, China	Richard Belliveau Consul General	Tel.: 86-21-320-2822 Fax: 86-21-320-3623
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Office for the Commission for Canada

11-14th Floors, One Exchange Square, 8 Connaught Place, HONG KONG	Colin Russel Senior Trade Commissioner	Tel.: 85-2-810-4321 Fax: 85-2-810-6736
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KOREA

The Canadian Embassy 10th Floor, Kolon Building, 45 Mugyon-Dong, Jung-Ku, SEOUL, Korea 100-170	Leonard J. Edwards Ambassador Ken Sunquist Minister-Counsellor (Commercial) and Consul	Tel.: 82-2-753-2605 Fax: 82-2-755-0686
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THAILAND

The Canadian Embassy 138 Siлом Road Bangkok 10500 Thailand	Arthur Perron Ambassador David Summers Counsellor (Commercial) and Consul	Tel.: 662-234-1561 Fax: 662-236-7119
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Bank of China

Bank of China 410 Fuchgmennel Dajie BEIJING, China	Gao Yingxin Manager	Tel.: 86-1-601-6688 Fax: 86-1-601-6869
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MOFERT

(Ministry of Foreign Economic Relations & Trade) 2 Dong Chang An Street BEIJING, China	Sun Jianyuan Project Officer (Canada) Foreign Financing Administration	Tel.: 86-1-512-8307 Fax: 86-1-421-1497
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CHINA: ACCESSING ALTERNATIVE FINANCING

Concessional financing is limited, but alternative financing arrangements are available to support Canadian sales.
EDC has a Cdn\$1.5 billion non-concessional line of credit in place with the Bank of China which can be easily accessed.

Since the October 1991 announcement that Cdn\$175 million in concessional financing would be available until October 1, 1993, demand for the limited concessional funding has been intense.

To date, over two-thirds of the facility has been committed. And, as many Canadian exporters are actively pursuing contracts, the remainder will likely be committed in the near future. In order to be considered for these scarce funds, exporters need to satisfy the government's national interest requirements and special allocative criteria (outlined in *EDC TODAY*, Winter, 1992) and in particular demonstrate that first, they have an established track record in China with good prospects for future business in the market, and second, they are able to obtain non-conventionally financed contracts in China.

WHO CAN BORROW

The following 10 Chinese financial institutions have been identified as official borrowers by the State Administration of Exchange Control (SAEC):

- Bank of China (BOC)
- Bank of Communications
- China Investment Bank
- China International Trust and Investment Corp. (CITIC)
- Guangdong International Trust and Investment Corp. (GITIC)
- Tianjin International Trust and Investment Corp. (TITIC)
- Shanghai Investment and Trust Corp. (SITCO)
- Fujian Investment Enterprise Corp. (FIEC)
- Dalian International Trust and Investment Corp. (DITIC)
- Hainan International Trust and Investment Corp. (HITIC)

Changing Market Conditions

Economic reform and decentralization have accelerated China's ambitious development plans, which will require major capital expenditures. While the country has significant internal financial resources to fund many projects, it will continue to use external funds to finance a portion of its foreign procurement.

At the same time, the level of concessional funds which China has enjoyed in the past may decline, as Western governments refocus their financing priorities in light of international developments. Therefore, an increasing number of existing and future projects may be

financed by cash, commercial loans and regular export credits, which represent the best alternative to concessional funds.

Accessing the \$1.5 billion facility

EDC has a Cdn\$1.5 billion non-concessional line of credit in place with the Bank of China. Accessing this can be done relatively quickly. It involves meeting EDC's normal financing requirements including confirmation of the financial and technical capabilities of the exporter, optimization of Canadian content, and a need for long-term financing.

The financing application for these funds is straightforward and involves two distinct processes. The exporter deals with EDC to obtain EDC approval, while the Chinese end-user/buyer approaches the Bank of China to get its financing application approved.

Continued economic reforms and decentralization may provide greater opportunities for projects being approved without concessional funds. Projects which are less than US\$5 million can be approved by the respective provincial authorities, thereby removing another layer of approvals and enhancing the prospects of non-concessional financing from local financial institutions.

In addition to the Bank of China, there are a number of financial institutions that have been authorized by China's State Administration of Exchange Control to borrow foreign currencies (see shaded box.) There may be opportunities for EDC to work with these financial institutions, on a case-by-case basis, to arrange non-concessional financing through direct loans or supplier credits. If a transaction develops and an end-user wishes to obtain financing from a major Chinese financial institution, the Canadian exporter should contact EDC early on so we can consider providing financing to the financial institution. For competitive solutions to your financing requirements in China, contact EDC.

LINES OF CREDIT AND PROTOCOLS

EDC has three types of prearranged export financing facilities which it can establish with foreign banks or institutions. Each is designed to make it possible for foreign buyers to purchase Canadian goods and services on credit. And in each case, EDC pays the Canadian exporter on the borrower's behalf, once the terms of the export contract have been satisfied.

Lines of Credit are a streamlined form of export financing by which EDC lends money to a foreign bank or institution, which then relends necessary funds to foreign purchasers of Canadian goods or services. Interest rates, repayment terms and other details are prearranged

between EDC and the foreign borrower, which speed up turnaround times.

A Buyer Credit Protocol is an agreement between EDC and a foreign institution through which the foreign institution can guarantee EDC export loans to buyers of Canadian goods and services in that country. EDC and the foreign institution preset the total value of Canadian exports that can be guaranteed under a protocol. This, in turn, enables the two parties to prearrange many of the procedures by which the foreign institution can guarantee individual transactions.

Supplier Credit Protocols are a third type of umbrella agreement between EDC and a foreign institution. Here, the foreign institution guarantees the promissory notes (IOUs) issued to Canadian exporters as

payment by their foreign buyers, which EDC then purchases from the Canadian exporter.

EDC currently has 45 lines of credit and protocols, providing easy access to export financing for buyers in 22 countries. But these are not our only export financing options; EDC can provide other types of loans to buyers in many more countries than those listed below.

If you have any questions about how EDC export financing can help you close a deal abroad, contact the Regional Office nearest you (check the contact list at the back).

CATEGORIES

Overseas Area Code = 011

- 1) Borrower
- 2) Funds Remaining as of August 31, 1992
- 3) Repayment Terms
- 4) Buyer's Contact with Borrower
- 5) Borrower's North American Representative

MEXICO & SOUTH AMERICA

EDC Contact: John Balint, Manager

BOLIVIA, COLOMBIA, ECUADOR, VENEZUELA

1) Corporación Andina de Fomento

- 2) US\$9,374,000
- 3) 3 to 8 years
- 4) Efraín Cazar, Head, Funding Division (Caracas, Venezuela)
Tel.: 58-2-261-3377
Telex: 2350 CAFVF CV
Fax: 58-2-284-5754

CHILE

1) Banco O'Higgins

- 2) US\$5,000,000
- 3) 2 to 8 years
- 4) Alejandro Young Downey, Assistant Manager Foreign Department
Tel.: 56-2-698-8424
Telex: 340306 Baohrm Ck.
Fax: 56-2-671-7152

1) Corporación nacional del cobre

- 2) US\$15,000,000
- 3) 3 to 7 years
- 4) Cesar Lillo Arellano, Head of Debt Section
Tel.: 56-2-690-3613
Telex: 240672/3
Fax: 56-2-690-3669

COLOMBIA

1) Banco Cafetero

- 2) US\$5,000,000
- 3) 3 to 8 years
- 4) Raúl Gonzalez Torres, Manager International Correspondent Banking
Tel.: 57-1-282-7742
Telex: 44460 BNCACO
Fax: 57-1-283-5207

1) Banco Unión Colombiano

- 2) US\$3,000,000
- 3) 3 to 7 years
- 4) Ernest Field, President
Tel.: 57-1-210-3408
Telex: 42050 RYBACO
Fax: 57-1-211-4683

1) Ecopetrol

- 2) US\$10,000,000
- 3) 3 to 8 years
- 4) Pedro Marquez, Purchasing Manager
Tel.: 57-1-288-3556
Telex: 44361
Fax: 57-1-288-6440

1) Instituto de Fomento Industrial

- 2) US\$10,000,000
- 3) 3 to 8 years
- 4) Ricardo Rodríguez Beltran, Vice-President Commercial
Tel.: 57-1-283-8673
Telex: 044-642
Fax: 57-1-283-8553

MEXICO

1) Banca Serfin, S.A.

- 2) US\$14,674,775
- 3) up to 8.5 years
- 4) Oscar Adad Rosas, Vice President, International Division
Tel.: 525-709-7644
Fax: 525-518-4529
- 5) Ramón Diez-Canedo, Representative
Tel.: 416-360-8900

1) Banco del Atlántico, S.A.

- 2) US\$5,000,000
- 3) up to 8.5 years
- 4) Raul Lujan, Executive Vice-President International Banking
Tel.: 525-544-5329
Fax: 525-549-0370

1) Banco Internacional, S.A.

- 2) US\$8,799,058
- 3) up to 8.5 years
- 4) Jorge A. Salinas Nilson, Senior Vice President Foreign Trade
Tel.: 525-721-2630
Fax: 525-566-2402

- 1) Banco Nacional de Comercio Exterior, S.N.C.
- 2) US\$33,447,623
- 3) up to 8.5 years
- 4) Rosa Maria Solis, Vice-President, International Banking
Tel.: 525-652-9529
Fax: 525-652-7313

- 1) Banco Nacional de México, S.A.
- 2) US\$17,121,252
- 3) up to 8.5 years

- 4) Alfredo Soto, Senior Vice President Import Financing Division
Tel.: 525-225-6519
Fax: 525-225-4451
- 5) Karin Ruggeberg, Representative
Tel.: 416-368-1399
Fax: 416-367-2543

- 1) Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS)
- 2) US\$20,000,000
- 3) up to 8.5 years
- 4) C.P. Gilberto Martínez Montes Acting Director of Financing
Tel.: 525-583-1403
Fax: 525-583-9791

- 1) Bancomer, S.A.
- 2) US\$22,751,820
- 3) up to 8.5 years
- 4) Magda Meseguér, Assistant Manager (New York Office)
Business Development
Tel.: 212-759-7600
Fax: 212-888-4355/832-8459

- 1) Comisión Federal de Electricidad (CFE)
- 2) US\$30,000,000
- 3) up to 8.5 years
- 4) Alberto Castelazo, General Manager, Finance Division
Tel.: 525-553-6448
Fax: 525-553-6538

- 1) Multibanco Comermex, S.A.
- 2) US\$10,000,000
- 3) up to 8.5 years
- 4) Esperanza Roch Soto, Vice-President Foreign Banking
Tel.: 525-395-5609
Fax: 525-202-5264

- 1) Nacional Financiera, S.N.C.
- 2) US\$30,000,000
- 3) up to 8.5 years
- 4) José Luis Orencio, Manager, Bilateral Financing
Tel.: 525-325-7022
Fax: 525-550-2557

- 1) Petróleos Mexicanos (PEMEX)
- 2) US\$18,706,580
- 3) up to 8.5 years
- 4) Eduardo Ito Sugiyama, International Finance
Tel.: 525-250-6478
Fax: 525-254-4955

- 1) Petróleos Mexicanos (PEMEX)
- 2) US\$500,000,000
- 3) up to 10 years
- 4) Eduardo Ito Sugiyama, International Finance
Tel.: 525-250-6478
Fax: 525-254-4955

- 1) Telefones de Mexico S.A. de C.V. (TELMEX)
- 2) US\$72,520,630
- 3) up to 10 years
- 4) Gustavo Leon Mendez, Treasury
Tel.: 525-222-1153
Fax: 525-203-5972

URUGUAY

- 1) Banco de la Republica Oriental del Uruguay (BROU)
- 2) US\$10,000,000
- 3) 2 to 8 years
- 4) Cesar Luaces, Subgerente Generale
Tel.: 598-2-95-35-14
Fax: 598-2-95-35-40

VENEZUELA

- 1) Banco Provincial S.A.I.C.A.
- 2) US\$10,000,000
- 3) 2 to 8 years
- 4) Arturo Ganteaume, Vice-President
Area Internacional
Tel.: 58-2-574-3922/9622
Fax: 58-2-574-1965

- 1) Bariven S.A.
- 2) US\$7,903,267
- 3) 2 to 8.5 years
- 4) Robert La Grange, PDVSA Services Inc.
Representative (Houston Office)
Tel.: 713-531-0004
Fax: 713-588-6290

USA & CARIBBEAN

EDC Contact: Ken Hamp, Manager

BARBADOS

- 1) Barbados National Bank
- 2) US\$5,000,000
- 3) up to 8.5 years
- 4) Lauretta Matthews, General Manager, Banking
Tel.: 809-427-5920
Fax: 809-426-5048

- 1) Barbados Telephone Company Limited
- 2) US\$5,650,000
- 3) up to 8.5 years
- 4) Mark MacFee, Financial Controller
Tel.: 809-429-5050
Fax: 809-436-5036

TRINIDAD AND TOBAGO

- 1) Central Bank of Trinidad and Tobago
- 2) US\$15,000,000
- 3) 3 to 8.5 years
- 4) Nigel Crichton, Operations Officer, Foreign Exchange and Investment Department
Tel.: 809-625-4835
Fax: 809-627-4696

EUROPE

EDC Contact: June Domokos, Manager

BELGIUM

- 1) Générale de Banque
- 2) Cdn\$10,000,000
- 3) up to 5 years
- 4) Paul Jacques, Head, Trade Finance Group
Tel.: 32-2-516-21-11
Telex: 21283 Gebab
Fax: 32-2-516-23-98

CZECHOSLOVAKIA

- 1) Ceskoslovenska Obchodni Banka, A.S.
- 2) Cdn\$16,000,000
- 3) up to 8.5 years
- 4) Jaroslava Sindelarová, Area Manager
Tel.: 42-2-231-1889
Fax: 42-2-231-1478

HUNGARY

- 1) Magyar Nemzeti Bank
- 2) Cdn\$15,000,000
- 3) up to 8.5 years
- 4) Laszló Urban, General Manager
International Capital Markets
Tel.: 36-1-153-3535
Telex: 226321
Fax: 36-1-153-1058
- 5) National Bank of Hungary, Representative
Tel.: 212-969-9270
Telex: 238180

ITALY

- 1) Banca Nazionale Del Lavoro
- 2) US\$10,000,000
- 3) 2, 3 or 5 years
- 4) Giovanni Rosa
Tel.: 39-6-4702-7468
Telex: 680549BNLFIN 1
Fax: 39-6-4702-0550
- 5) W.A. Galbraith, Vice President
International Banking, Representative
Tel.: 416-365-7777
Telex: 06218880
Fax: 416-365-0849

Export Financing Facilities

PORTUGAL

- 1) Banco Português do Atlântico
- 2) US\$4,703,000
- 3) 2, 3, 5 or 7 years
- 4) Maria Helena Allen Valenoa, Area Manager Americas International Division
Tel.: 351-1-3461321/325036
Telex: 16559 BPA LXP/42944 ILBANK P
Fax: 351-1-321307/3475315
- 5) Silippo Valli, Vice President, Representative
Tel.: 212-306-7800
Telex: ITT 428339
Fax: 212-766-8047

ROMANIA

- 1) Banca Romana de Comert Exterior S.A.
Bucharest
- 2) US\$6,549,000
- 3) 8.5 years
- 4) Marius Vieru, Area Manager, Foreign Credits Correspondent Banking Department
Tel.: 40-0-149947
Telex: 11235
Fax: 40-0-141598

RUSSIA

- 1) Vnesheconbank as agent for the Russian Federation
- 2) US\$ equivalent of Cdn\$28,500,000 for food products
- 3) 2 years
- 4) Mikhail Kasyanov, Chief of Division Cooperation with Industrialized Countries Ministry of Economy of the Government of the Russian Federation
Tel.: 7-095-292-9656
Fax: 7-095-292-6095
- 1) Vnesheconombank as agent for the Russian Federation
2) Cdn\$100,000,000 for capital goods
- 3) 3 to 8.5 years
- 4) Mikhail Kasyanov, Chief of Division Cooperation with Industrialized Countries Ministry of Economy of the Government of the Russian Federation
Tel.: 7-095-292-9656
Fax: 7-095-292-6095

UKRAINE

- 1) Ukraine as represented by the National Bank of Ukraine
- 2) Cdn\$10,852,000
- 3) 2 to 8.5 years
- 4) George Yurchyshyn, Deputy Chairman
Tel.: 7-044-293-3406
Telex: 131-251 KIJ SU
Fax: 7-044-293-1698/4264

UNITED KINGDOM

- 1) Bank of Montreal
- 2) US\$10,000,000
- 3) 3 or 5 years
- 4) Soren Christensen, Senior Vice President
Tel.: 44-1-236-3225
Telex: 021-622735
Fax: 44-1-236-7041
- 5) Peter Wren, Senior Manager Product Development and Marketing
Trade Finance Division, Representative
Tel.: 416-867-5584

AFRICA & MIDDLE EAST

EDC Contact: Didier Delahousse, Manager

ALGERIA

- 1) SONATRACH
- 2) US\$140,000,000
- 3) 2 to 10 years
- 4) Alili, Director, Financing
Tel.: 60-70-00/60-80-11
Telex: 62-115/104

ISRAEL

- 1) Bank Hapoalim B.M.
- 2) US\$9,168,000
- 3) 3, 5 or 7 years
- 4) Tovi Shpayer, Vice-President, Foreign Trade Department
Tel.: 972-3-5673416
- 5) Yehoshua Flam, Representative
Tel.: 514-935-1128
Telex: 5267448
- 1) Bank Leumi Le-Israel B.M.
- 2) US\$10,000,000
- 3) 3, 5, or 7 years
- 4) Miriam Salzman, Assistant Manager
Tel.: 972-3-5148630
- 5) Menachem Inbar, President & CEO Representative
Tel.: 416-789-3392
Telex: 06-218582
Fax: 416-785-9398

- 1) United Mizrahi Bank Limited
- 2) US\$10,000,000
- 3) 3, 5 or 7 years
- 4) Ephraim Eisenmann, Deputy Manager
Tel.: 972-3-5679433
- 5) Schmuel Messenberg, Senior Executive Vice-President
UMB Bank & Trust Co., Representative
Tel.: 212-541-8070

TUNISIA

- 1) Republic of Tunisia, Ministry of Plan
- 2) US\$37,123,814
- 3) up to 10 years
- 4) Abdelhamid Bouhaouala, Director International Cooperation
Ministry of Plan, Place de la Monnaie
Tel.: 216-1-650-634

PACIFIC & NORTH ASIA

EDC Contact: Tom Macdonald, Manager

CHINA, PEOPLE'S REPUBLIC OF

- 1) Bank of China
- 2) Approximately Cdn\$1.5 billion or its equivalent in US or other acceptable foreign currencies*
- 3) up to 10 years
- 4) Wang Huanbang, General Manager Second Credit Department
Tel.: 86-1-601-6688
Telex: 22254 BCHO CN
- 5) Zhang Yang, Representative
Tel.: 416-362-2991

* Concessional financing terms may also be considered by the Government of Canada through EDC. These funds are limited and special criteria apply.

SOUTH ASIA

EDC Contact: Chantal Rougerie, Assistant Manager

THAILAND

- 1) Krung Thai Bank
- 2) US\$25,000,000
- 3) up to 10 years
- 4) Salisa Nimsomboon, Chief of Marketing and International Business
Tel.: 66-2-254-9593
Telex: TH 81179
Fax: 66-2-255-9391
- 1) Siam Commercial Bank
- 2) US\$25,000,000
- 3) up to 10 years
- 4) Satien Sirisawad, AVP, Chief Credit Analysis & Correspondent Banking Division
International and Institutional Business Department
Tel.: 66-2-256-1304
Telex: 82995, 82876 or 20142
Fax: 66-2-253-6697

- 1) Thai Farmers Bank
- 2) US\$25,000,000
- 3) up to 10 years
- 4) Jindatawin Theeranartsin, First Vice President Business Development Department
Tel.: 66-2-271-4772
Telex: FARMERS TH 81159
Fax: 66-2-273-2229

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DOUG GYLES
Manager

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Vice-President

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151 O'Connor Street
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JAN DVORAK
District Manager

QUEBEC & ATLANTIC REGION

Toby Price
Vice-President

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Fax: (514) 878-9891

JACQUES LACASSE
Manager

HALIFAX OFFICE
Suite 1003
T.D. Bank Building
1791 Barrington Street
Halifax, Nova Scotia
B3J 3L1
Tel.: (902) 429-0426
Fax: (902) 423-0881

STEPHEN DEMPSEY
Manager

HEAD OFFICE

EXPORT INSURANCE

VICE-PRESIDENT

Ian Gillespie

SHORT TERM INSURANCE DIVISION

John Hutchison
Chief Underwriter

MEDIUM TERM INSURANCE DIVISION

Eric Siegel
General Manager

ONTARIO & WESTERN DEPARTMENT

Keith Milloy
Manager

Fax: 598-2525

QUÉBEC & ATLANTIC DEPARTMENT

Gerry Bourbonnais
Manager

Fax: 598-2780

AGRICULTURE & DOCUMENTARY CREDITS DEPARTMENT

Peter Cowan
Manager

Fax: 598-2780

WESTERN REGION

Ken Dunn
Manager

Fax: 237-2690

EASTERN REGION

Jean Cardyn
Manager

Fax: 237-2690

FOREIGN INVESTMENT INSURANCE DEPARTMENT

Robert Rendall
Manager

Fax: 237-2690

EXPORT FINANCING

AFRICA, MIDDLE EAST & EUROPE DIVISION

Henri Souquieres
General Manager

AFRICA & MIDDLE EAST DEPARTMENT

Didier Delahousse
Manager

EUROPE DEPARTMENT

June Domokos
Manager

Fax: 598-2503

AMERICAS DIVISION

Don Curtis
General Manager

MEXICO & SOUTH AMERICA DEPARTMENT

John Balint
Manager

USA & CARIBBEAN DEPARTMENT

Ken Hamp
Manager

Fax: 598-2504

ASIA/PACIFIC DIVISION

Jim Brockbank
General Manager

PACIFIC/NORTH ASIA DEPARTMENT

Tom Macdonald
Manager

SOUTH ASIA DEPARTMENT

Manager

Fax: 598-2503

INDUSTRIAL ADVISORY SERVICES DEPARTMENT

Mike Scully
Manager

Fax: 598-2504

CLAIMS & RECOVERIES

Hubert Chénier

Manager

Fax: 598-2837

LOANS ADMINISTRATION

Harry Kaunisvita

Manager

Fax: 598-2514

EXECUTIVE MANAGEMENT COMMITTEE

PAUL LABBÉ
President and Chief Executive Officer

MARTIN BAKER
Senior Vice-President
Finance and Chief
Financial Officer

GLEN HAMMOND
Senior Vice-President
Marketing

BILL MUSGROVE
Vice-President
Human Resources and
Administration

ROGER PRUNEAU
Senior Vice-President
Export Insurance

GILLES ROSS
Senior Vice-President
Legal Services and
Secretary

BOB VAN ADEL
Senior Vice-President
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